

**31<sup>st</sup> Annual Report 2023-24**



HIGH QUALITY SYSTEMS AND PRODUCTS | SUSTAINABILITY | GIVING BACK TO THE SOCIETY | NURTURING ENVIRONMENT

**Investing in the Future**  
**Expanding Our Reach**  
**and Impact**





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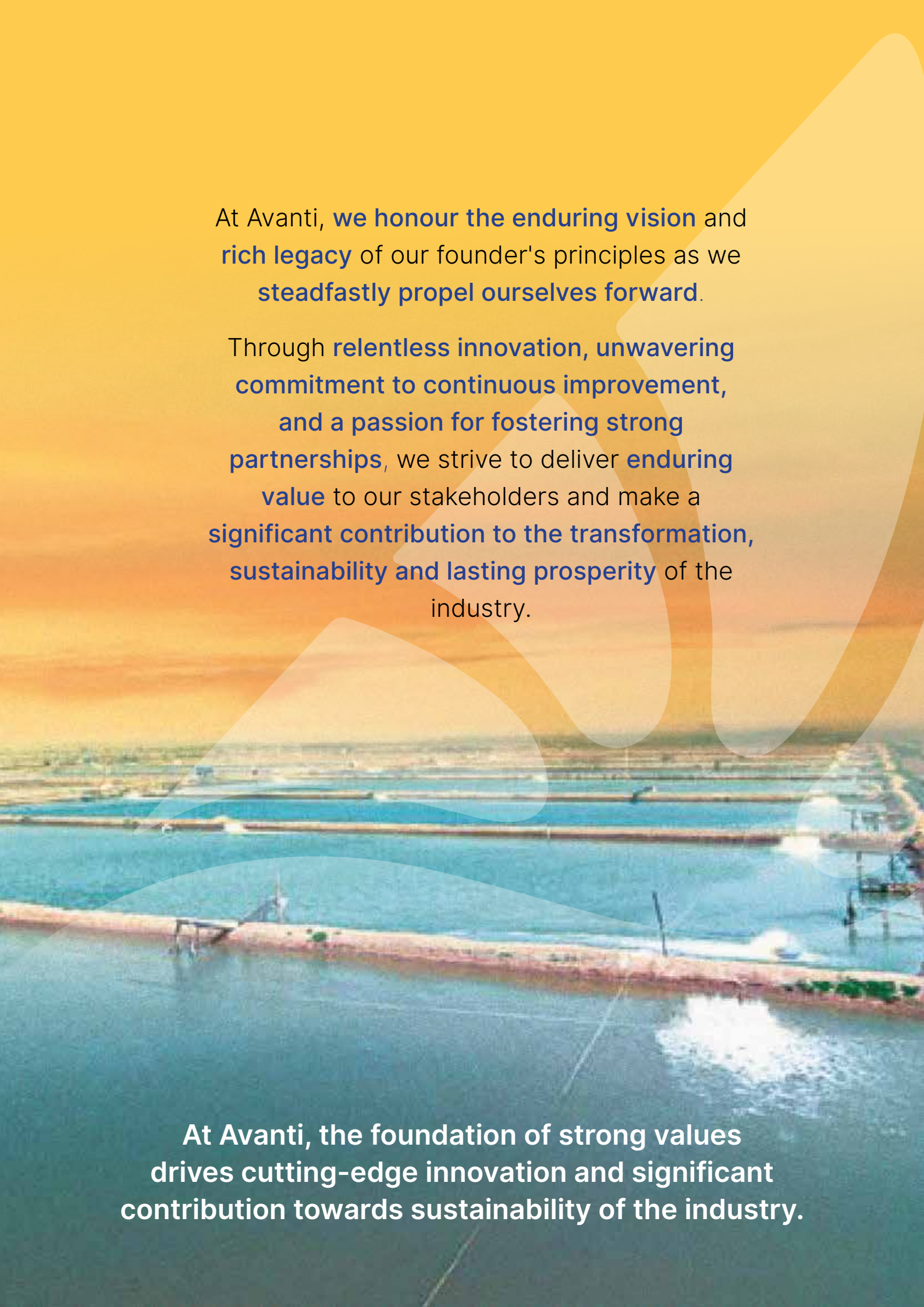
**SRI ALLURI VENKATESWARA RAO**  
**1933-2002**

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*Founder-Chairman, Avanti Group*



Your enduring vision, unwavering commitment to truth, dedication to hard work, and pursuit of prosperity for all stakeholders continue to guide us. You are always with us!



At Avanti, **we honour the enduring vision** and **rich legacy** of our founder's principles as we **steadfastly propel ourselves forward**.

Through **relentless innovation, unwavering commitment to continuous improvement, and a passion for fostering strong partnerships**, we strive to deliver **enduring value** to our stakeholders and make a **significant contribution to the transformation, sustainability and lasting prosperity** of the industry.

**At Avanti, the foundation of strong values drives cutting-edge innovation and significant contribution towards sustainability of the industry.**

## Investing in the Future Expanding Our Reach and Impact

In the fiscal year 2023-24, Avanti Feeds Ltd. showcased a stellar performance, navigating the challenges of a volatile global market with remarkable resilience. The company's growth story is one of strategic agility and prudent financial management, making it a compelling narrative for our stakeholders.



### Riding the Wave: Growth Beyond Expectations

Avanti Feeds Ltd. reported a gross income of ₹ 5,505 crores for FY 2023-24, an impressive rise from ₹ 5,179 crores in the previous year. This significant growth of approximately 6% underscores our ability to scale operations effectively amidst fluctuating market conditions. The Profit Before Tax (PBT) for the year also saw a notable increase, reaching ₹ 537 crores, up from ₹ 427 crores in FY 2022-23, a 26% surge that highlights our enhanced profitability and strategic investments for the future.

### Keeping Costs Afloat: A Focus on Efficiency

A key driver of this growth has been Avanti Feeds' strategic focus on cost management. By adeptly managing the costs of key raw materials such as fish meal, soybean meal, and wheat flour, which constitute the bulk of the feed production expenses, we have protected our margins and ensured steady profitability. Our efforts in this area have laid a solid foundation for future growth.

The company also leveraged several government incentives to bolster its financial health. Notably, the Production Linked Incentive (PLI) scheme and the Operation Green scheme.



A new shrimp processing plant is set up in Krishnapuram to boost our production capacity and efficiency.

### Setting Sail for the Future: A Clear Horizon

Looking ahead, Avanti Feeds is committed to expanding its reach and impact. Despite the volatility in shrimp culture and the various challenges faced by the industry, the feed division is confident in increasing its market share and solidifying its market presence.

In the shrimp processing division, the future looks equally promising. We anticipate an increase in export volumes in FY 2024-25 by the commencement of

commercial production at our new processing plant in Krishnapuram in March 2024. This expansion aligns perfectly with our vision by enhancing our capabilities and extending our market reach.

### Building a Sustainable Future

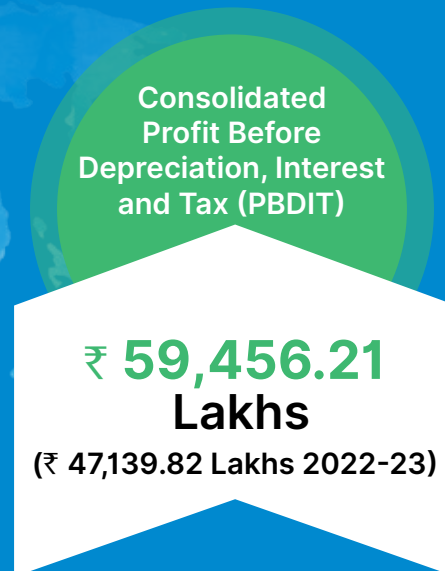
Avanti Feeds' commitment to robust financial management, strategic expansion, and effective utilization of resources has positioned the company for sustainable growth. Looking ahead, Avanti remains dedicated to driving value for investors and stakeholders, ensuring continued success in the dynamic global market. Through these efforts, Avanti is not only investing in the future but also creating a lasting positive impact.







## Our Growth in Numbers



## Chairman's Message



## Dear Shareholders,

It is with great pride and enthusiasm that I share the achievements of Avanti Feeds Ltd. for the financial year 2023-24. This year has been marked by significant growth and strategic advancements across all our business verticals. Our Revenue reached ₹ 5,505 crores, an increase from ₹ 5,179 crores in the previous year, while our profit surged to ₹ 537 crores from ₹ 427 crores.

In the feed manufacturing sector, Avanti Feeds' position remains robust. Your company is also well-positioned in the export markets. In FY 2023-24, our feed division achieved a gross income of ₹ 4,396 crores, reflecting an impressive growth from the previous year.

Despite the challenges in shrimp exports like lower market prices, increased production costs, and growing competition from export markets such as Ecuador, Vietnam, and Indonesia, Avanti Feeds has maintained a competitive edge, realizing higher margins over the last two years. We have been proactive in our interventions, adapting swiftly to dynamic market fluctuations and challenges.

Your company has always been forward-looking, gearing up to tap into opportunities for growth and value addition for shareholders while fulfilling the mission of bridging the nutritional and food needs of the people. The Union Government's major push for aquaculture, especially fisheries, through fund allocation and incentives, is a positive development.

The PMMSY (Pradhan Mantri Matsya Sampada Yojana) introduced new operational guidelines in 2024 for the development of fish and aquatic products, infrastructure, and overall promo-

tion of the Blue Revolution. Aquaculture has been recognized for its role in enhancing farmers' livelihoods and improving the health of the population with better protein and nutrition.

The second growth area is the domestic consumption of aqua products, especially value-added ones. The realization of aqua and marine products as sources of protein and nutrition is driving demand upward. Avanti Frozen Foods is fully aware of these business opportunities and is focused on turning out more value-added products, positioning India among the best in class globally.

To achieve all these goals, a strong R&D, investment in the latest technologies, development of skilled human resources, and strengthening of linkages with farmers and stakeholders are essential. I am pleased to inform you that your company is dedicated to all these areas.

I acknowledge my heartfelt gratitude to our employees, aqua farmers, customers, dealers, partners, financial institutions, and all stakeholders for their steadfast and continuous support in maintaining Avanti's prime position despite multiple challenges. My sincere thanks are also due to my fellow Directors for their invaluable guidance and unwavering support throughout our journey.

With my best wishes to everyone,

**Alluri Indra Kumar**  
Chairman and Managing Director

## Avanti Feeds Board of Directors

Avanti Feeds is privileged to have a distinguished Board of Directors, consisting of accomplished leaders with proven track records in their respective fields. The Board brings a wealth of experience, strategic vision, and industry knowledge, providing invaluable guidance.



**A Indra Kumar**  
Chairman & Managing Director



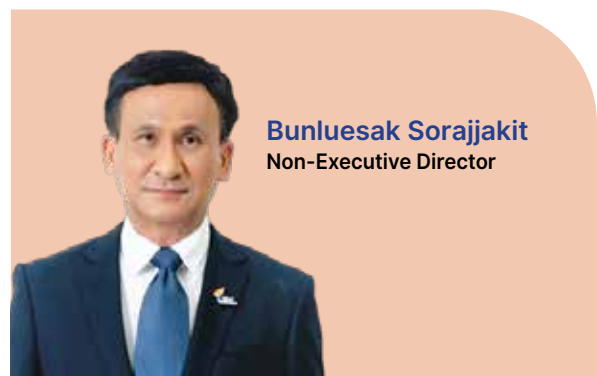
**C Ramachandra Rao**  
Joint Managing Director,  
CS & CFO



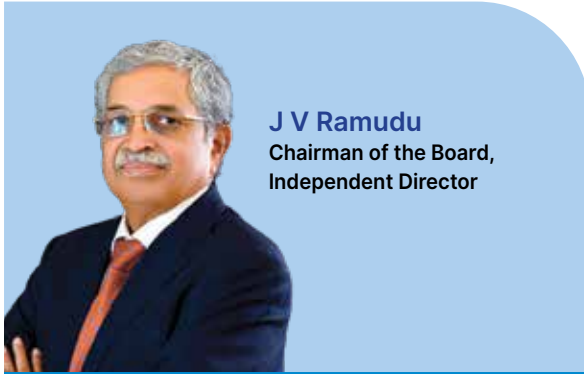
**A Venkata Sanjeev**  
Executive Director



**Peerasak Boonmechote**  
Non-Executive Director



**Bunluesak Sorajjakit**  
Non-Executive Director



## Avanti Frozen Board of Directors

The diverse composition of Avanti Frozen Board's fosters a collaborative environment, allowing a variety of perspectives to be considered, leading to well-informed decisions that drive sustainable growth and long-term shareholder value.



**A Indra Kumar**  
Chairman & Managing Director

**A Nikhilesh**  
Executive Director



**C Ramachandra Rao**  
Non-Executive Director



**Bunluesak Sorajjakit**  
Non-Executive Director



**Peerasak Boonmechote**  
Non-Executive Director



**Y Prameela Rani**  
Independent Director



**N V D S Raju**  
Independent Director



# A Year of Triumph

## Avanti Feeds Ltd. Fiscal 2023-24





Avanti Feeds Ltd. has achieved stellar performance yet again in the fiscal year 2023-24, leveraging our strong foundation and strategic foresight. This year, we've seen remarkable growth, innovative investments, and unwavering dedication to our stakeholders, which has further cemented our standing in the global marketplace.

India, despite facing challenges in key export markets like the USA, achieved record-high seafood exports in terms of both volume and value during this fiscal year. Frozen shrimp continues to be the leading export item by quantity and value, with the USA and China as primary importers of Indian seafood. This accomplishment underscores India's resilience and Avanti Feeds Ltd.'s significant role in the seafood industry.

For FY 2023-24, Avanti Feeds Ltd. reported a gross income of ₹ 5,505 crores, marking an

impressive increase from ₹ 5,179 crores in the previous year. This 6% growth demonstrates our ability to effectively scale operations amidst fluctuating market conditions. Our Profit Before Tax (PBT) saw a significant rise, reaching ₹ 536.86 crores, up from ₹ 426.78 crores in FY 2022-23, reflecting a 26% surge. This growth highlights our enhanced profitability and strategic investments for the future. The profit after tax stands at ₹ 393.80 crores, compared to ₹ 312.25 crores in the previous financial year.

Our Four Windmills in Karnataka, with a total capacity of 3.2 MW, generated 43.34 lakh units of power this year, as against 47.95 lakh units in the previous year. The power generated was sold to Karnataka Power Transmission Corporation Limited (KPTCL) under the Power Purchase Agreement (PPA).



## Avanti Feeds Ltd. Pioneering Sustainability in Aquaculture

Avanti Feeds Ltd. stands as a formidable leader in the aquaculture industry, providing a comprehensive range of services that cover every aspect of shrimp farming. Our integrated approach has positioned us as a prominent seafood company, delivering complete solutions to cater to diverse needs. Our expertise spans several specialized areas:

### Premium Shrimp Feed



We are committed to delivering high-quality feed tailored for shrimp cultivation. Our meticulously formulated feed ensures optimal nutrition, fostering healthy and sustainable shrimp growth. In FY 24, our feed division reached nearly 5.32 lakh metric tons. We aim to scale new heights, reflecting our confidence in expanding market share and strengthening our market position.

### State-of-the-Art Shrimp Hatchery



Our advanced hatchery facilities prioritize the breeding and hatching of shrimp larvae. By consistently producing superior shrimp seedlings, we support the continuous supply necessary for the thriving aquaculture industry. Our hatchery division in Guduwada village, Visakhapatnam district, Andhra Pradesh, continues to make significant advancements,

with a capacity of 600 million post-larvae shrimp seed, demonstrating our commitment to innovation and farmer empowerment.

### Sophisticated Shrimp Processing



With cutting-edge processing facilities, we oversee the meticulous processing and value enhancement of shrimp. Our eagle focus on quality ensures our shrimp meet stringent international standards, positioning them as a premium choice in the global market.

Beyond our expertise in shrimp culture, we actively participate in gas-based and hydroelectric power projects, enhancing our long-term profitability and contributing to the sustainable energy sector. These initiatives serve as additional avenues for supporting sustainable practices and diversifying our revenue streams.

Avanti Feeds Ltd. has garnered the trust and loyalty of aqua-farmers nationwide by being a reliable partner. We foster strong relationships through collaboration and a shared commitment to mutual growth.

As we look ahead, Avanti Feeds Ltd. remains dedicated to delivering value to our investors and stakeholders, ensuring sustained success in the global marketplace.



## Feed



**7,75,000** MT  
Production  
Capacity Feed  
Manufacturing Units

## Delivering Optimal Nutrition in Shrimp Feed



Avanti Feeds Ltd. continues to set the industry standard with its scientifically formulated shrimp feed, meticulously designed to meet the precise requirements of aquaculture.

### State-of-the-Art Manufacturing

Our five advanced feed manufacturing units, certified with prestigious credentials such as BAP and ISO, uphold rigorous quality standards to guarantee exceptional feed. With an expanded collective capacity of 7,75,000 metric tons, these units are well-equipped to meet the growing demand for superior shrimp feed.

### Rigorous Quality Assurance

Stringent quality checks are conducted in our sophisticated testing laboratories to ensure the consistent and reliable delivery of feed, maintaining the highest standards of excellence.

### Comprehensive Farmer Support

Beyond supplying feed, Avanti Feeds Ltd. offers extensive support to farmers. Our experienced technical teams provide expert guidance on optimal aquaculture practices, assist in seed selection, and conduct thorough seed quality analyses. Leveraging our expertise, farmers can optimize their operations and achieve superior results in shrimp cultivation.

Avanti Feeds Ltd. remains committed to delivering unparalleled quality and support, driving excellence and success in the aquaculture industry.



Manamei



Titan



Profeed



Prostar



High Boost

## Frozen Foods

### Bringing Seafood Delights to Global Palates

Avanti Frozen Foods Pvt. Ltd. (AFFPL), a subsidiary of Avanti Feeds, has been steadfast in its mission to deliver high-quality seafood products to the global market since its inception in 2015.

#### Advanced Processing Facilities

AFFPL operates two cutting-edge shrimp processing and export facilities, equipped with state-of-the-art in-house laboratories. These facilities adhere rigorously to international food safety standards and have a combined capacity of 29,000 metric tons. They effectively cater to a diverse range of global markets, including Europe, the USA, Japan, Korea, China, Russia, Canada, and the Middle East.

The company has expanded and commenced commercial operation in March 2024, at its new state-of-the-art facility at Krishnapatnam, with a capacity of 7,000 MT.

#### Commitment to Traceability and Quality

As Avanti's dedicated shrimp processing division, AFFPL ensures a fully traceable farm-to-fork supply chain solution. Our product portfolio includes a wide range of offerings, such as raw, cooked, and value-added shrimp products. With a steadfast commitment to maintaining exceptional quality standards and a strong emphasis on traceability, AFFPL consistently provides reliable and sustainable seafood options to customers worldwide.



This expansion aligns with our vision of enhancing our capabilities and extending our market reach, ensuring we continue to delight global palates with premium seafood products.

Avanti Frozen Foods Pvt. Ltd. remains dedicated to offering superior seafood delights to the global market, driving excellence and sustainability in every product we deliver.



Capacity  
**29,000** MT

## Frozen Foods



### Raw Shrimp

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



### Value Added Shrimp

- ▶ Marinated products
- ▶ Breaded products
- ▶ Skewers
- ▶ Shrimp Rings



### Cooked Shrimp

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



### Our Brands stand out in the market

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





# Hatchery

Total Capacity  
**600** Million  
Post Larvae  
per annum

## Empowering Farmers with Premium Shrimp Seeds

Avanti Feeds Ltd.'s advanced hatchery division in Visakhapatnam district, Andhra Pradesh, is making significant strides in our mission to empower farmers.

### State-of-the-Art Facility

Located in Gudiwada village, this innovative facility boasts a capacity of 600 million post-larvae shrimp seed. It serves as a hub of cutting-edge technology, featuring advanced machinery for efficient seawater filtration, purification, and highly effective culture and rearing systems.

### Commitment to Quality and Biosecurity

We are dedicated to providing farmers with premium seeds and optimal inputs, complemented by comprehensive disease monitoring and strict biosecurity measures. Our in-house laboratory ensures stringent quality control and testing, guaranteeing superior seeds for our farmers

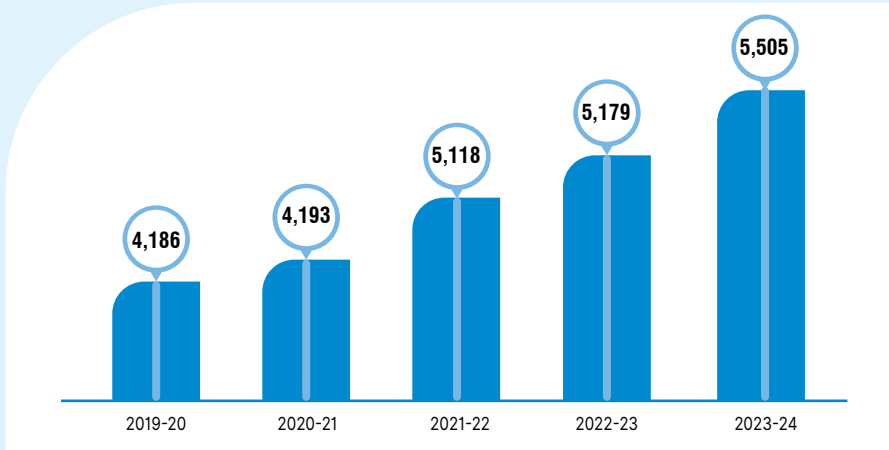
### Impact on Aquaculture

In FY 2023-24, the hatchery division continues to play a pivotal role in securing disease-free post-larvae, essential for successful shrimp culture. By providing high-quality, disease-resistant post-larvae, we contribute to the sustained success and growth of the aquaculture industry. Avanti Feeds Ltd. remains committed to empowering farmers with the best resources and support, ensuring their success and the continued advancement of the aquaculture sector.

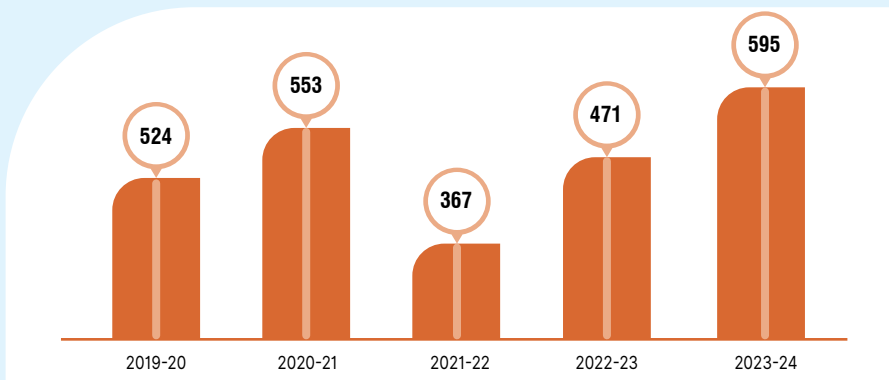


## Our Growth Graphs

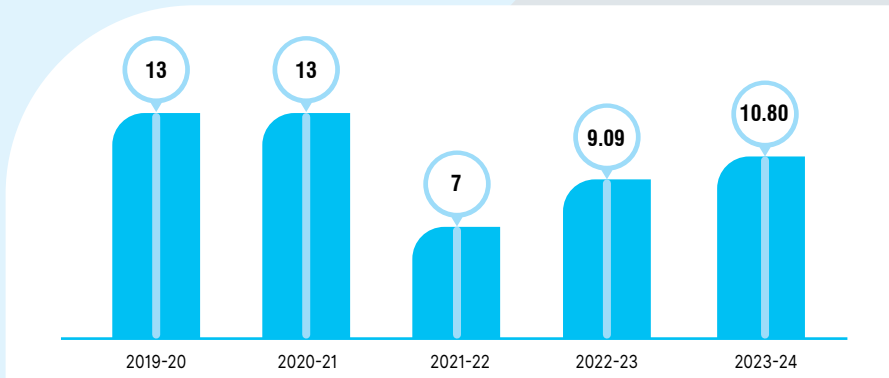
Revenue (₹ Crs)



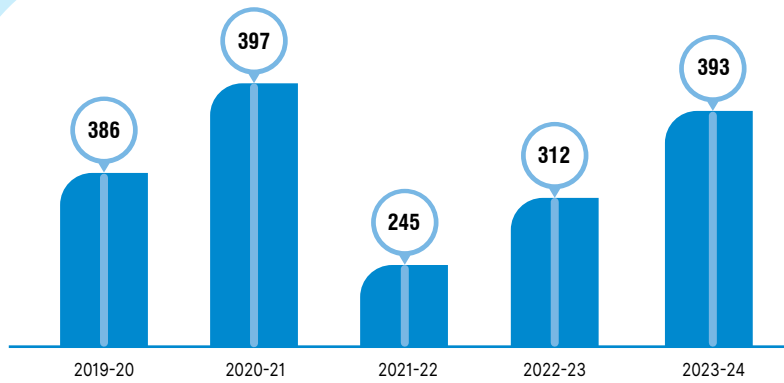
EBITDA (₹ Crs)



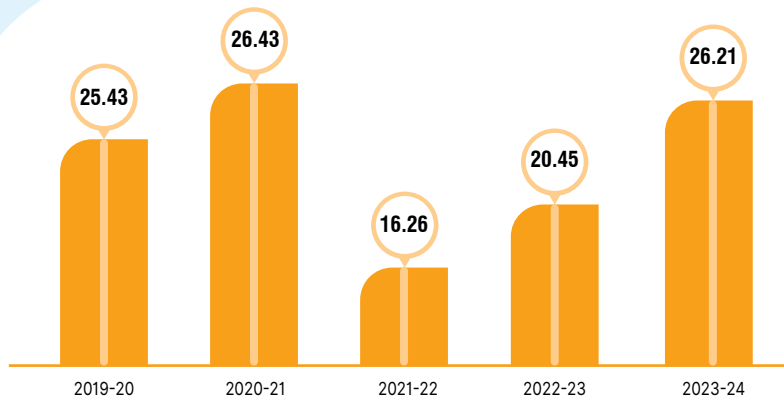
EBITDA Margin (%)



### Profit After Tax (₹ Crs)



### EPS (₹)



### Key Ratios

	2019-20	2020-21	2021-22	2022-23	2023-24
ROCE (%)	33	28	15	18	20
ROE (%)	24	20	12	14	16
Net Debt to Equity	0	0	0	0	01
Inventory Days	52	63	67	80	72
Receivable days	6	7	7	8	9

# Charting our Journey of Continuous Progress

Company incorporation

**1993**

Shrimp Feed Manufacturing Unit-I (20,000 TPA) at Kovvur

**1994**

The Gopalapuram Block Freezing and IQF Shrimp Processing and Export Unit (3,000 TPA) takes off

**1998**

Technical Collaboration with Thai Union Feed Mill (P) Ltd, for L. Vannamei species

Unit-I & Unit-II Kovvur, Andhra Pradesh capacities enhanced to 60,000 TPA each

**2003-2004**

**2024**

Commencement of Shrimp Processing and Export plant at Krishnapatnam, AP (7,000 TPA) with value added products.

**2022**

Commencement of new Bandapuram Plant, Andhra Pradesh with 1,75,00 MT in Dec'2022

**2021**

Expansion of hatchery division to 600 mn PL

**2020**

Hatchery division with 400 mn PL capacity at Gudiwada, Andhra Pradesh

Four Windmills (3.2 MW) commissioned in Karnataka

**2006**

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

**2009**

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

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

**2012**

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

**2014**

**2019**

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

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

AFFPL commissions state-of-the-art shrimp processing & export plant (15,000 TPA) at Yerravaram, Andhra Pradesh, with Value added products

**2018**

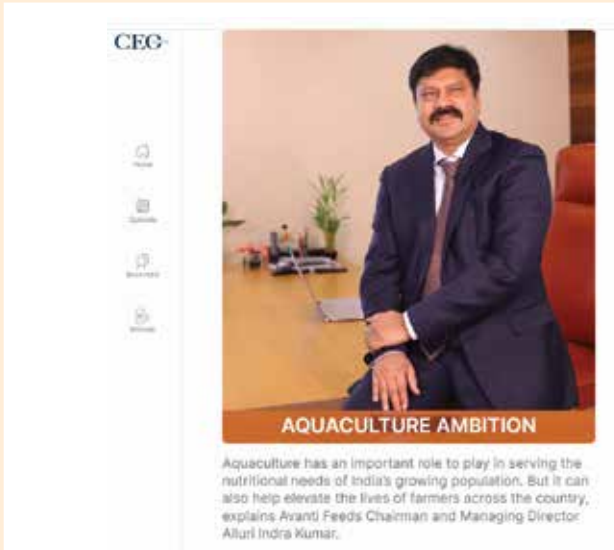
Commissioned Unit-IV shrimp feed manufacturing plant with a capacity 1,75,000 MT per annum

**2017**

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

**2016**

# Honors that Propel Our Commitment to Excellence



**CEG**

**AQUACULTURE AMBITION**

Aquaculture has an important role to play in serving the nutritional needs of India's growing population. But it can also help elevate the lives of farmers across the country, explains Avanti Feeds Chairman and Managing Director, Alluri Indra Kumar.

CEO Magazine



**BEST CEO AGRICULTURE AND ALLIED**

Total Income/ 3-yr CAGR  
**₹32,25.1 cr / 8.03%**

EBIT/ 3-yr CAGR  
**₹378.17cr / 5.86%**

PAT/ 3-yr CAGR  
**₹285.98 cr / 13.34%**

3-yr Average TSR  
**-39.07**

Average Market Cap YoY Growth\*  
**33.61**

ROE/ ROCE  
**25.29% / 33.44%**

CASHE/ DEBT  
**₹186.7 cr/ Nil**

Net Profit Margin  
**-9.04%**

\*For Oct 2019-Sept 2020. Share-price data, Total Income, PBT & PAT net of extraordinary items, TSR, Total shareholder returns. Source: ACE Study.

India's Best CEO for 2020



**Forbes India Leadership Awards Fila - 2017**

Forbes India Leadership Awards Fila - 2017



Fortune 500 India's Largest Corporations



Forbes Asia's 200 Best Under A Billion



## Certifications



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



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



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



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



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



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



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



Certified for meeting the requirements for seafood processing.



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



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



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



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



The leading standard set for aquaculture seafood.



Certified for compliance with GAA/BAP plant standard.



Whole Foods Market



Fair Trade Certification- USA



Aquaculture Certification Council

## Avanti's Dedication to Supporting Farmers' Success

### J Subbaro garu, Kathwapadu

I am Subba Rao from Kathwapadu village, Avanti Feeds has played a crucial role in my farm success. Impressive results, including a high survival rate of 86% and a substantial total harvest of 42,923 kgs with a stocking density of 33.3 pcs/sq.mt., highlight the effectiveness of Avanti Feeds' products. The low Feed Conversion Ratio (FCR) of 1.3 and the average daily growth of 0.255 grams further demonstrates the quality and efficiency of Avanti Feeds' feed solutions.



The economic benefits and profitability achieved through the use of Avanti Feeds. The consistent growth and success of my aquaculture operation are a witness to the reliability and excellence of Avanti Feeds in supporting farmers like me in maximizing their yields and financial returns. I wholeheartedly recommend Avanti Feeds based on my outstanding results, affirming their reputation as a trusted provider of high-quality aqua feed products that contribute significantly to the success of aquaculture ventures.

### Ch. Ramu, K.P. Palem

Although I am new to shrimp farming with mere experience of 4 years. I did well in getting

good production, this credit goes to Avanti team.



As I was struggling in understanding shrimp farming Avanti technical team guided me in every step of farming and made my every crop successful. Also the top quality feed aided me in getting better FCR and good water quality. Thank you team Avanti.

### Durga Prasad, Nagidipalem

I am Durga Prasad from Nagidipalem shares his successful shrimp farming experience using Avanti Feeds Manamei. A low FCR of 1.32 demonstrates efficient feed conversion, translating to cost-effectiveness for 40 count good biomass.



It suggests Avanti played a vital role in achieving a productive harvest and profits. Their exceptional technicians work round the clock for supporting farmers and their expertise in trouble shooting was awesome.

### G. Tatarao, Valluru

As a small shrimp farmer for nearly a decade, I've seen the ups and downs of the industry. But through and through, Avanti's commitment to quality has been a game-changer for my farm.



Their premium feed formulations provide the optimal nutrition for my shrimp. This translates directly to better growth, improved health, and ultimately, a better harvest. Avanti goes beyond just products. Their expert team offers invaluable support and guidance, helping me implement best practices and navigate challenges.

Quality produces success, and Avanti delivers!

### M. Kishore Varma, Kontheru



I have been practicing shrimp farming for the past few years, and during this time, I have relied on Avanti Feeds to provide me with

the necessary resources. Thanks to the outstanding quality of their feed and the unwavering support of their technical team, I have been able to achieve the highest production, boasting an impressively low Feed Conversion Ratio (FCR) of 1:1.1

**P. Narisimharaju, Navarasapuram**

I am continuously getting good crop with best FCR due to good feed from Avanti and good suggestion from Avanti team.



I like this feed due to their consistent feed quality and continuous support by their Technical team. The team advises in critical periods are great help to farmer. I Whole heartedly recommend every farmer to get benefit by using Avanti feed.

**Nuppuleti Srinu, Saripalli**

I am a small farmer, yet the Avanti team has diligently tended to my land, fostering my prosperity for the past five years.



Thanks for superior feed and exceptional services, I have been able to expand my shrimp farming operations from three to ten acres within the last three years.

**P. Anjineyalaraju, Chinchinada**

I can confidently authenticate that Avanti Feed is the finest feed available in India. Avanti Feeds stands out as the industry leader in both quality and quantity.



Over the last 8 years, I have relied on their feed without encountering any concerns regarding quality or performance. Their round-the-clock technical support further sets their commitment to excellence.

**A. Nanaji, K. P. Palem**

I used Avanti's Feed by myself, I can confidently say they are a game-changer. Their commitment to quality and their focus on farmer success make them a reliable partner on your journey towards a flourishing shrimp farming business.



Fellow shrimp farmers, unlock your farm's full potential with Avanti! They provide a winning combination for success: Avanti's top-notch feed formulations ensure your shrimp receive the optimal nutrition they need to thrive, leading to faster growth and improved health. Their state-of-the-art labs guarantee healthy, disease-free shrimp from the very start, giving your farm a strong foundation for success. Avanti goes beyond just prod-

ucts. Their dedicated team of specialists offers invaluable support in implementing Best Management Practices (BMPs), helping you optimize your operations and maximize your yield.

**K. Phani Kumar Raju, Nidudavole**

I have found Avanti Feeds' technical team to be incredibly helpful and knowledgeable, and their Feed quality is best one. Whenever I have encountered any issues or uncertainties related to shrimp farming, I have always relied on their support.



The quality of their feed and Probiotics are exceptional as I got 40 count with 1:1.2 FCR, and I wish them continued success in the future.

**G. V. Ramaraju, Alamuru**

Since adopting Avanti Feeds, my crops have been of the utmost superiority, and the feed conversion ratio (FCR) has been exceptionally low.



The stocking of 1 million PLs in 10 acres with 20 tons of feed, which yielded a production of 19 tons of 40 count with an FCR of 1.1. I am convinced that the exceptional quality of Avanti Feeds and their outstanding technical services have contributed significantly to my accomplishments.



Avanti Foundation, the social responsibility arm of Avanti Group, is dedicated to enhancing societal well-being through impactful projects across various domains. Here are some key initiatives undertaken in FY 2023-24:

## Strengthening Communities



**ELDERLY CARE:** The Avanti Foundation provides support and care for residents in old age homes.



**DISASTER RELIEF:** Responding to natural disasters, the Foundation distributed relief materials to communities affected by cyclones in Odisha, Tamil Nadu, and Andhra Pradesh.



**CULTURAL INITIATIVES:** Avanti fosters cultural connection through milk donation programs for devotees at temples during festivals.

## AU - AVANTI AQUACULTURE SKILL DEVELOPMENT CENTRE, Visakhapatnam



At the Avanti Foundation, our mission is to elevate the quality of life for both current and future generations through targeted efforts in education, healthcare, rural development, and technology enhancement. In alignment with this mission, we have collaborated with Andhra University, the premier institute, in the establishment of the AU-Avanti Aquaculture Skill Development Centre.



This state-of-the-art centre is dedicated to advancing aquaculture practices and includes the following specialized courses:

- **Certificate Course on Shrimp Farming and Good Aquaculture Practices**
- **Certificate Course on Shrimp Hatchery Operation & Management**
- **Shrimp Processing and Quality Assurance for Exports**

Through these comprehensive programs, the centre is committed to equipping students seeking a career in aquaculture, farmers and also youth who desire to enter aquaculture business, with essential skills and knowledge, thereby fostering community development and growth in the aquaculture sector.

We are excited about the positive impact this initiative will have on the aquaculture industry and the communities we serve.

**EDUCATION FOCUS:** The Foundation established and manages a Degree & PG College in Kovvur, ensuring educational access for rural communities.



## Healthcare Initiatives

Avanti Foundation has launched the Avanti Healthcare & Diagnostics Centre in Kovvur to serve rural communities. This state-of-the-art facility aims to deliver high-quality healthcare to residents of over 40 villages. The centre features advanced diagnostic equipment and specialized clinics staffed by doctors from renowned hospital chains. The Foundation undertakes improving the infrastructure facilities at Govt. Hospitals. The Foundation prioritizes public health by conducting free medical camps, blood donation drives, eye camps with free spectacle distribution and placing emphasis on child care facilities.



## Infrastructure Development



Avanti contributes to infrastructure projects by supporting the construction of community projects, providing flood/cyclone shelters for shrimp farmers, and supplying vital equipment for their operations. Additionally, the Foundation donated dustbins, water tins, and water purification plants in various locations.

Through these comprehensive efforts, the Avanti Foundation remains a strong advocate for sustainable social development, creating positive change in the lives of individuals and communities, particularly in rural regions.

## Environmental Stewardship



Avanti promotes environmental responsibility through tree guard distribution and plantation drives on World Environment Day and Vana Mahotsav.



## Enhancing Lives

**Sports Promotion:** The Avanti Foundation encourages sportsmanship by organizing coaching camps for volleyball and badminton, alongside a cricket tournament in Kovvur.



**EMPOWERING COMMUNITIES:** Avanti actively supports local development through donations of essential equipment like walkie-talkies for the fire department, tractors for agricultural advancement, water purification plants for villages, and school furniture sets. Additionally, clothing distribution drives were conducted for underprivileged communities.



## Capturing Our Journey Highlights of Growth and Team Spirit





...Capturing Our Journey Highlights of Growth and Team Spirit







Our Chairman & Managing Director, Alluri Indra Kumar, receiving the doctorate degree









**Statutory Reports  
2023-24**

## Corporate Information

### Secretarial Auditors

#### **V Bhaskara Rao & Co**

Flat No. 105, 6-2-1085/B, Badam Sohana Apartment  
Rajbhavan Road Somajiguda, Hyderabad-500082  
Telangana State, India.

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### Statutory Auditors

#### **Tukaram & Co LLP**

*Chartered Accountants*

#3-6-69, Flat No. 209 & 409, Venkatarama Towers  
Opp: Talwalkars, Basheerbagh, Hyderabad-500029  
Telangana State, India.

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### Bankers

State Bank of India  
HDFC Bank Ltd.

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### Registrar & Transfer Agent (RTA)

#### **KFin Technologies Limited**

(Unit: Avanti Feeds Limited)

Selenium Building, Tower B, Plot No. 31-32  
Financial District, Nanakramguda, Serilingampally  
Hyderabad-500032, Telangana State, India.

Tel: 1800 309 4001

e-mail address: [inward.ris@kfintech.com](mailto:inward.ris@kfintech.com)

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### Registered Office

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

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### Corporate Office

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

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

e-mail address: [investors@avantifeeds.com](mailto:investors@avantifeeds.com)

CIN: L16001AP1993PLC095778

# BOARD'S REPORT

Dear Members,

Your Directors have immense pleasure in presenting the Annual Report on the business and operations of your company along with the Audited Financial Statements (Standalone and Consolidated) for the Financial Year ended 31<sup>st</sup> March, 2024.

## 1. Financial Summary

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

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	2023-24	2022-23	2023-24	2022-23
Total Revenue	<b>4,29,028.48</b>	4,04,135.51	<b>5,36,889.36</b>	5,08,698.55
Profit / (Loss) Before Interest, Depreciation and Tax (PBITDA)	<b>43,992.56</b>	33,057.49	<b>59,456.21</b>	47,139.82
Finance Charges	<b>54.36</b>	74.40	<b>130.70</b>	202.13
Depreciation	<b>3,238.07</b>	2302.19	<b>5,639.92</b>	4,259.45
Provision for Income Tax (including for earlier years)	<b>9,894.48</b>	7,396.48	<b>14,304.66</b>	11,453.01
Net Profit / (Loss) After Tax	<b>30,805.65</b>	23,284.42	<b>39,380.93</b>	31,225.23
Profit / (Loss) brought forward from previous year	<b>1,49,921.56</b>	1,37,679.51	<b>1,83,080.22</b>	1,66,163.92
Profit / (Loss) carried to Balance Sheet	<b>1,69,596.87</b>	1,49,921.56	<b>2,06,821.29</b>	1,83,080.22

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

The profit for the year under consideration i.e., Financial year 2023-24, before depreciation, finance charges and tax is ₹ 43,992.56 Lakhs as compared to a profit of ₹ 33,057.49 Lakhs in the previous financial year i.e., Financial year 2022-23. The profit for the year after tax is ₹ 30,805.65 Lakhs as against a profit of ₹ 23,284.42 Lakhs during the previous financial year.

Your Company reported 5,31,967 MTs sales of Shrimp Feed during Financial year 2023-24 as compared to 4,97,550 MTs Shrimp Feed sales in the immediately preceding Financial year 2022-23, a growth of 6.92% in volume.

The Four Windmills of your Company located in Karnataka State with a total capacity of 3.2 MWs have generated 43.34 Lakh units as against 47.95 Lakh units in the previous year. The power generated during the year was sold to Karnataka Power Transmission Corporation Limited (KPTCL) under the Power Purchase Agreement (PPA).

There have been no material changes and commitments, which affect the financial position of the Company which have occurred between the end of the financial year to which the financial statements relate and the dates of this report.

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

## 3. Share Capital

During the year under review, there was no change in the share capital of the Company.

### Authorized Share Capital

The Authorized Share Capital of the Company as on 31<sup>st</sup> March, 2024 is ₹ 15,85,00,000 (Rupees Fifteen Crores and Eighty Five Lakhs) divided into 15,85,00,000 equity shares having face value of ₹ 1/- each.

#### Paid-up Equity Share Capital

The paid-up Equity Share Capital is ₹ 13,62,45,630 (Rupees Thirteen Crores Sixty Two Lakhs Forty Five Thousand Six Hundred and Thirty) divided into 13,62,45,630 equity shares having face value of ₹ 1/- each.

#### Re-classification from promoter group to public

Pursuant to Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, with effect from 13<sup>th</sup> March, 2024, the BSE and National Stock exchange of India, approved the reclassification of Mrs. Madhavi Chukkapalli, holding 37,500 Equity Shares (0.03%) @ ₹1/- each, fully paid-up from “Promoter Group” category of the Company to “Public” category. Therefore, Mrs. Madhavi Chukkapalli has been removed from the “Promoter Group” category and was included in the “Public” category.

#### 4. Reserves

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

#### 5. Dividend

Your Directors have recommend a dividend of ₹ 6.75 (Six Rupees Seventy Five Paise only) per equity share of ₹ 1/- each fully paid for the Financial year 2023-24. The dividend, if declared by the members at the ensuing 31<sup>st</sup> Annual General Meeting will be paid within the time line as prescribed under the Companies Act, 2013 (“the Act”) subject to deduction of tax at source (TDS) as applicable.

The dividend, if approved, would result in a cash outflow of approximately ₹ 9,197 Lakhs resulting in a dividend payout of 30.23% of the standalone profits of the Company.

The dividend recommended is in accordance with the Dividend Distribution Policy of the Company. The policy in terms of Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“Listing Regulations”) is available on the Company’s website at <https://avantifeeds.com/policies/>

#### 6. Alteration of Articles of Association

During the year under review, your Company has not altered its Articles of Association.

#### 7. Board of Directors

##### a. Composition of the Board

The Composition of the Board of Directors is in conformity with Regulation 17 of Listing Regulations. The present strength of the Board of the Company is as follows:

Sl. No.	Name	Designation
1	Dr. A. Indra Kumar	Chairman and Managing Director
2	Sri J. V. Ramudu	Chairman of the Board and Independent Director
3	Sri C. Ramachandra Rao	Joint Managing Director, Company Secretary, Compliance Officer and Chief Financial Officer
4	Sri N. Ram Prasad	Non-Executive Director
5	Sri A. Venkata Sanjeev	Executive Director
6	Mr. Bunluesak Sorajjakit	Non-Executive Director
7	Mr. Peerasak Boonmechote	Non-Executive Director
8	Smt. K. Kiranmayee	Independent Woman Director
9	Sri NVDS Raju	Independent Director
10	Sri V. Narsi Reddy	Independent Director
11	Sri V Raghunath	Nominee Director (Nominee of Andhra Pradesh Industrial Development Corporation Limited)

### **b. Number of Meetings of the Board**

During the period, Eight (8) meetings of the Board of Directors were held. The details of the meetings held and attended by the Directors are given in the Report on Corporate Governance, which forms part of this Board's Report.

## **8. Changes in Directors and Key Managerial Personnel**

During the year under review, Mr. Peerasak Boonmechote, who was appointed as an Additional Non-Executive Director w.e.f 20<sup>th</sup> February 2023, appointed as Director vide approval of the members at the Extra-ordinary General Meeting held on 29<sup>th</sup> April, 2023, by way of passing ordinary resolution.

### **Change in Nominee Director:**

During the year under review, APIDC vide its letter dated 25<sup>th</sup> September, 2023 withdrawn its nomination of Sri Gurrala Sudarsan Babu, (DIN: 09402807), from the Board of the Company and nominated Sri V. Rangunath, VC and MD of APIDC as Non-Executive Nominee Director, in his place. Hence, Sri Gurrala Sudarsan Babu, (DIN: 09402807) was resigned from the Board w.e.f. 25<sup>th</sup> September, 2023. And subsequently Sri Raghunath Vemali, (DIN: 10405110) was appointed as Nominee Director in the Board Meeting held in 21<sup>st</sup> December, 2023 and later on the members approved his appointment through postal ballot resolution dated 16<sup>th</sup> February, 2024.

### **Appointment of Independent Director**

1. During the year under review, Sri J. V. Ramudu, has completed his first term of Five (5) years as an Independent Director and Chairman of the Board of the Company. Based on the recommendation of Nomination & Remuneration Committee, the Board recommended the re-appointment of Sri J. V. Ramudu as an Independent Director on the Board of the Company for a second term of Five (5) consecutive years commencing from 10<sup>th</sup> November, 2023, up to 9<sup>th</sup> November, 2028 (both days inclusive), and the members given approval in the 30<sup>th</sup> Annual General Meeting held on 11<sup>th</sup> August, 2023.
2. The Board at its meeting held on 22<sup>nd</sup> May, 2024, on the recommendation of Nomination and Remuneration Committee, appointed Smt. Y. Prameela Rani and Dr. Sunkara Venkata Satya Shiva Prasad as Non-Executive, Independent Directors for a period of Five (5) years w.e.f 9<sup>th</sup> August, 2024 to 8<sup>th</sup> August, 2029 (first term) is subject to approval of the members at the ensuing Annual General Meeting.

### **Retirement of Directors**

In terms of Article 80 and 87 of the Articles of Association of the Company, Sri N. Ram Prasad and Mr. Peerasak Boonmechote, Directors liable to retire by rotation at the ensuing 31<sup>st</sup> Annual General Meeting ("AGM") and being eligible, offer themselves for re-appointment. The Nomination and Remuneration Committee and Board recommended their re-appointment for approval of the Shareholders at the ensuing 31<sup>st</sup> AGM.

### **Key Managerial Personnel ("KMP")**

Dr. A. Indra Kumar, Chairman and Managing Director, Sri C. Ramachandra Rao, Joint Managing Director, Company Secretary, Compliance Officer and Chief Financial Officer, and Sri A. Venkata Sanjeev, Executive Director are the KMPs of the Company.

After the financial year, the Nomination & Remuneration Committee and Audit Committee at their Meetings held on 21<sup>st</sup> May, 2024 and the Board of Directors at their Meeting held on 22<sup>nd</sup> May, 2024 recommended the re-appointment of Sri A. Venkata Sanjeev, Whole-Time Director designated as an Executive Director for a period from 9<sup>th</sup> August, 2024 to 31<sup>st</sup> March, 2029, whose term of appointment will conclude on 8<sup>th</sup> August, 2024, subject to approval of the Shareholders at the ensuing 31<sup>st</sup> AGM.

Apart from aforesaid, there were no other changes in Directors and Key Managerial Personnel of the Company. The details of Directors, Key Managerial Personnel and composition of various Committees and changes of the Board are given in the Report on Corporate Governance which forms part of the Board's Report.

## 9. Committees of the Board

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

## 10. Familiarization Programme for Independent Directors

All Independent Directors are familiarised with the operations and functioning of the Company at the time of appointment and on an on-going basis. The details of the training and familiarisation programme are given in the Report on Corporate Governance which forms part of the Board's Report and is available on the website of the Company at [www.avantifeeds.com/investors](http://www.avantifeeds.com/investors)

## 11. Statement of Declaration given by Independent Directors

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

## 12. Separate Meeting of Independent Directors

A separate meeting of Independent Directors was held on 6<sup>th</sup> April, 2024, to review the performance of the Non-Independent Directors and the Board as a whole, to review the performance of Chairperson of the Company and assess the quality, quantity and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties. All the Independent Directors were present at the meeting.

## 13. Nomination and Remuneration Policy.

The Company's policy on Directors' Appointment and Remuneration and other matters as provided in Section 178(3) of the Act are given in the Report on Corporate Governance which forms part of the Board's Report and is also available on the website of the Company at <https://avantifeeds.com/policies>.

## 14. Annual Return

Pursuant to the provisions of Section 92(3) and Section 134(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, the Annual Return of the Company as on 31<sup>st</sup> March, 2024 in e-form MGT-7, is available on the Company's website and can be accessed at [www.avantifeeds.com/downloads/](http://www.avantifeeds.com/downloads/).

## 15. Loans, Guarantees or Investments

Pursuant to provisions of Section 186 of the Act, read with Companies (Meetings of Board and its Powers) Rules, 2014, the particulars of loans given, guarantees provided and investments made by the Company during the Financial year 2023-24 are disclosed in the notes to Financial Statements which forms part of this report.

## 16. Particulars of Contracts or arrangements with Related Parties

All contracts / arrangements / transactions entered by the Company during the Financial year 2023-24 with related parties were in its ordinary course of business and are on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions or which is required to be reported in Form No. AOC-2 in terms of Section 134(3)(h) read with Section 188 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

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

The Company formulated a Policy on dealing with Related Party Transactions. The policy is available on the Company's website and can be accessed at: <https://avantifeeds.com/policies>.

## 17. Evaluation of Performance of Board, Committees and Directors

Performance evaluation of the Board as a whole, the committees and all individual directors including Independent Directors has been carried out for the Financial year under review in accordance with the criteria framed pursuant to the provisions of the Companies Act, 2013, Listing Regulations and Guidance notes issued by SEBI. The manner in which the evaluation was carried out is given in the Report on Corporate Governance which forms part of the Board's Report.

## 18. Corporate Governance

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

## 19. Risk Management Policy

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

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

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

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

## 20. Whistle Blower Policy-Vigil Mechanism

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

## 21. Maintenance of Cost Records

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

## 22. Corporate Social Responsibility (CSR)

As per Section 135(5) of the Act, the Company shall ensure that an amount of 2% of the average Net Profits of the Company made during the three immediately preceding financial years shall be spent towards Corporate Social Responsibility activities. For the Financial year 2023-24, the amount to be spent towards CSR activities works out to ₹ 569.10 Lakhs. The Company has spent ₹ 269.10 Lakhs towards the CSR activities in the Financial Year 2023-24 and ₹ 300.00 Lakhs has been set aside for the utilization of ongoing project, AU-AVANTI – Aquaculture Skill Development Center and Avanti Vocational Training Centers to be established.

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

## 23. Subsidiaries, Joint Ventures and Associate Companies

### 23.1 Subsidiaries

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

During the year, AFFPL has reported a turnover of ₹ 1,08,186.65 Lakhs and the profit before tax is ₹ 13,627.51 Lakhs. The Profit after tax reported by AFFPL is ₹ 9,209.40 Lakhs for the Financial year 2023-24.

The Secretarial Audit report of AFFPL as required under regulation 24 A of the Listing Regulations, is provided as a separate annexure forming part of this Board's Report. Further, the annual report is being sent to the members excluding the aforesaid annexure. The same is available for inspection and any member interested in obtaining a copy of the same may write to the company at [investors@avantifeeds.com](mailto:investors@avantifeeds.com).

#### 2. Avanti Pet Care Private Limited (APCPL):

During the year under review, the Company has incorporated a new Subsidiary Company i.e. Avanti Pet Care Private Limited (APCPL) on 18<sup>th</sup> July, 2023, in the state of Telangana, India for the purpose of setting up Pet Care Products project with 51% equity participation. Initially, the subsidiary Company incorporated with Dr. A. Indra Kumar and Sri A. Venkata Sanjeev as promoter Director, subsequently it will be joined by foreign collaborator. At present the Memorandum of Understanding followed by Technical Collaboration Agreement with JV Agreement had already executed between the Partners. The Company has not yet commenced its commercial production.

#### 3. Srivathsa Power Projects Private Limited ("SPPPL"):

The Company continued to stop generating power due to increase in APM-gas and non availability of APM-gas since May, 2022. In addition to that in the month of July, 2022, Gail India Limited – a Government of India undertaking – a Maharatna Company, who is a natural gas supplier to Srivathsa, had informed that, as per the Ministry of Petroleum and Natural Gas guidelines and directives, the APM gas from KG basin allocated to power plants will be diverted to CGD (City Gas Distribution) entities outside KG basin w.e.f 01<sup>st</sup> August, 2022. As per the above guidelines, Srivathsa is not getting APM gas from Gail India Limited. As a result, there is no power generation during the financial year. During the year 2023-24, the Company reported Other Income of ₹ 23.74 Lakhs and a loss of (₹ 161.42) Lakhs after charging interest and depreciation, as per audited financials.

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

23.3 The Annual financial statements of the subsidiaries and related detailed information will be kept at the Registered Office and Corporate Office of the Company and also at the Registered Offices of the respective subsidiaries and also available on the website of the Company at <https://avantifeeds.com/financial-reporting>.

23.4 The Company has adopted a Policy for determining Material subsidiaries in terms of Regulation 16(1)(c) of Listing Regulations. The Policy approved by the Board is available on the website of the Company at <https://avantifeeds.com/policies/>.

### 23.5 Joint Ventures

Your Company has no Joint Venture.

### 23.6 Associate Company

#### Patikari Power Private Limited ("PPPL")

The Company holds 25.88% equity shares in PPPL which has a 16 MW Hydel Power Project in Himachal Pradesh, India. During the Financial year 2023 24 as per audited financials the Company generated 36.13 Million saleable energy units,



yielding a gross sales income of ₹ 693.15 Lakhs which resulted in a net profit of ₹ 82.71 Lakhs after charging interest, depreciation and tax. For the FY 2023-24, the Company has not declared any dividend to the shareholders during the financial year 2023-24 as the plant was shutdown from 12<sup>th</sup> August, 2023 to 24<sup>th</sup> February, 2024 due to heavy rains with unexpected floods and land slide the project was heavily damaged. The plant was restored and the damaged was recovered thru Insurance.

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

During the year under review, the Company has incorporated a new Subsidiary Company i.e. Avanti Pet Care Pvt. Ltd. (APCPL) on 18<sup>th</sup> July, 2023. There were no Joint Ventures or Associate Companies incorporated or ceased during the year.

Statement containing salient features of financial statements of subsidiaries and associates. Pursuant to Section 129(3) of the Act, the statement containing the salient features of the financial statements of Company's subsidiary and associate companies in the Form AOC-1 is enclosed at **Annexure-2** of Board's Report.

## **24. Management Discussion & Analysis**

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

## **25. Business Responsibility and Sustainability Report**

The Business Responsibility and Sustainability Report (BRSR) of your Company for the Financial year 2023-24, which forms part of this Board's Report as required under regulation 34(2)(f) of listing regulations is enclosed at **Annexure-4**.

## **26. Listing at Stock Exchanges**

The equity shares of your Company continue to be listed and traded on the BSE Limited and National Stock Exchange of India Limited. The Annual Listing fee for the Financial year 2024-25 has been paid to both the Stock Exchanges.

## **27. Internal Controls Systems and Adequacy**

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

The internal financial controls with reference to the Financial Statements for the Financial year ended 31<sup>st</sup> March, 2024 commensurate with the size and nature of business of the Company.

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

## **28. Audit and Auditors**

### **a. Independent Auditors, their Report and Notes to Financial Statements**

M/s. Tukaram and Co. LLP, Chartered Accountants (Firm Registration No. 004436S/S200135) were re-appointed as Statutory Auditors of the Company at the 29<sup>th</sup> AGM held on 12<sup>th</sup> August, 2022, to hold office till the conclusion of the 34<sup>th</sup> AGM.

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

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

### **b. Internal Auditor**

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

**c. Secretarial Auditor**

In terms of Section 204 of the Act, and the Rules made thereunder, M/s. V. Bhaskara Rao and Co., Hyderabad, Practicing Company Secretaries have been appointed as the Secretarial Auditors of the Company for the Financial year 2023-24. The report of the Secretarial Auditor is annexed to this Report. There were no qualifications, reservations or adverse remarks or disclaimers made by the Secretarial Auditors.

**d. Annual Secretarial Compliance Report**

The Annual Secretarial Compliance Report for the Financial year ended 31<sup>st</sup> March, 2024, on compliance of all applicable SEBI Regulations and circulars / guidelines, issued by M/s. V. Bhaskara Rao and Co., Company Secretaries, was submitted to BSE Limited and National Stock Exchange of India Limited.

**29. Compliance with Secretarial Standards**

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

**30. Director's Responsibility Statement**

Pursuant to the requirement Section 134(3)(c) of the Act, your Directors confirm that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit of the Company for that period;
- c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the directors had prepared the annual accounts on a going concern basis;
- e. the directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**31. Details of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo**

**a. Conservation of Energy**

i	The steps taken or impact on conservation of energy	We have decided to promote energy conservation by exclusively utilizing LED lighting and phasing out traditional lighting methods. In addition, We installed a 15 KW roof top Grid power plant as an expansion to the existing 256.34 KW solar power plant.
ii	The steps taken by the Company for utilizing alternate sources of energy	We are implementing VFDs (Variable Frequency Drives) for our bucket elevators to reduce energy consumption during idle periods.
iii	The capital investment on energy conservation Equipment's	Solar Power Plant 589.86 Lakhs

**b. Technology absorption: Not applicable.**

**c. Foreign Exchange Earnings and Outgo:**

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

Inflow - ₹ 1,749.64 Lakhs

Outflow - ₹ 6,627.58 Lakhs

### 32. Public Deposits

During the period, the Company has not accepted any deposit(s) within the meaning of Section 73 & 74 of the Act, read the Companies (Acceptance of Deposits) Rules, 2014.

### 33. Significant and Material Orders Passed by the Regulators

During the period under review, there have been no significant and material orders passed by the Regulators, Courts, or Tribunals which would impact the going concern of the Company.

### 34. Particulars of Employees

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

### 35. Disclosure as for Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

During the Financial year ended 31<sup>st</sup> March, 2024, the Company has not received any complaints pertaining to Sexual harassment of Women at the Workplace. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

### 36. General

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

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

### 37. Acknowledgements

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

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

**A. Indra Kumar**  
Chairman and Managing Director  
DIN: 00190168

Place : Hyderabad  
Date : 22<sup>nd</sup> May, 2024

## Annexure - 1

# The Annual Report on CSR Activities

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

**1. Brief outline on CSR Policy of the Company: Avanti Feeds Ltd.**

Avanti Feeds Limited ("the Company") has its CSR Policy within broad scope laid down in Schedule VII to the Companies Act, 2013 ('the Act'), as projects / programmes / activities in accordance with the Act and any amendments thereof.

**2. Composition of CSR Committee**

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of Meetings of CSR Committee held during the year	Number of Meetings of CSR Committee attended during the year
1	<b>Dr. A. Indra Kumar</b>	Chairman / Chairman & Managing Director	4	3
2	<b>Sri N. Ram Prasad</b>	Member / Non-Executive Director	4	4
3	<b>Smt. K. Kiranmayee</b>	Member / Non-Executive Independent Director	4	4
4	<b>Sri C. Ramachandra Rao</b>	Member / Joint Managing Director, Company Secretary & CFO	4	4

**3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company**

Sl. No.	Particulars	Weblink
1	Composition of CSR Committee	<a href="https://avantifeeds.com/leadership/">https://avantifeeds.com/leadership/</a>
2	CSR Policy	<a href="https://avantifeeds.com/policies/">https://avantifeeds.com/policies/</a>
3	CSR Projects	<a href="https://avantifeeds.com/csr-projects/">https://avantifeeds.com/csr-projects/</a>

**4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.**

Not Applicable.

S. No.		₹ in Lakhs	
<b>5.</b>	a	Average net profit of the company as per sub-section (5) of section 135	<b>28,455.08</b>
	b	Two percent of average net profit of the company as per sub-section (5) of section 135.	<b>569.10</b>
	c	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.	-
	d	Amount required to be set-off for the financial year, if any.	-
	e	Total CSR obligation for the financial year [(b)+(c)-(d)].	<b>569.10</b>

e. CSR amount spent or unspent for the Financial Year

Total Amount Spent for the Financial Year (₹ Lakhs)	Amount Unspent (₹ Lakhs)				
	Total Amount Transferred to Unspent CSR Account as per Sub-Section (6) of Section 135		Amount Transferred to any Fund Specified Under Schedule VII as per Second Proviso to Sub-Section (5) of Section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of Transfer
269.10	300.00	30 <sup>th</sup> March, 2024	-	-	-

Note: Allocated towards for the utilisation of ongoing project, AU-AVANTI – Aquaculture Skill Development Center and Avanti Vocational Training Centre to be established.

f. Excess amount for set-off, if any:

Sl. No.	Particulars	Amount (₹ Lakhs)
(1)	(2)	(3)
i	Two percent of average net profit of the company as per sub-section (5) of section 135	569.10
ii	Total amount spent for the Financial Year	269.10
iii	Excess amount spent for the Financial Year [(ii)-(i)]	-
iv	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	-
v	Amount available for set off in succeeding Financial years [(iii)-(iv)]	-

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year(s)	Amount Transferred to Unspent CSR Account under sub-Section (6) of Section 135 (₹ Lakhs)	Balance Amount in Unspent CSR Account under sub-Section (6) of Section 135 (₹ lakhs)	Amount Spent in the Financial Year (₹ lakhs)	Amount Transferred to a Fund as Specified under Schedule VII as per Second Proviso to Sub-section (5) of section 135, if any		Amount Remaining to be Spent in Succeeding Financial Years (₹ lakhs)	Deficiency if any
					Amount (₹ lakhs)	Date of Transfer		
1	2020-21	-	-	-	-	-	-	-
2	2021-22	-	-	-	-	-	-	-
3	2022-23	172.86	112.86	60.00	-	-	112.86	-
	<b>Total</b>	<b>172.86</b>	<b>112.86</b>	<b>60.00</b>	<b>-</b>	<b>-</b>	<b>112.86</b>	<b>-</b>

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Yes       No

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

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

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

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

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

Not Applicable

Place : Hyderabad  
Date : 22<sup>nd</sup> May, 2024

**A. Indra Kumar**  
Chairman and Managing Director  
DIN: 00190168

## Annexure - 2

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

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

### Part "A": Subsidiaries

(₹ in Lakhs)

Name of the subsidiary	Avanti Frozen Foods Private Limited	Avanti Pet Care Private Limited	Srivathsa Power Projects Private Limited
1. Reporting period for the subsidiary concerned, if different from the holding Company's reporting period.	-Not applicable-	-Not applicable-	-Not applicable-
2. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	-Not applicable-	-Not applicable-	-Not applicable-
3. Share capital	₹ 1,001.67	₹ 3,510.00	₹ 3,339.71
4. Reserves & Surplus	₹ 77,796.76	₹ (133.55)	₹ (2107.76)
5. Total Assets	₹ 87,808.83	₹ 3,395.44	₹ 1,281.47
6. Total Liabilities	₹ 9,010.40	₹ 18.98	₹ 49.51
7. Investments	₹ 17,247.36	-	₹ 200.00
8. Turnover	₹ 1,08,186.65	-	-
9. Profit before Taxation	₹ 13,627.50	₹ (52.05)	₹ (163.40)
10. Provision for Taxation	₹ 4,410.18	-	-
11. Profit after Taxation	₹ 9,217.32	₹ (52.05)	(163.40)
12. Proposed Dividend	-	-	-
13. % of shareholding	60%	75%	100%

### Part "B": Associates

(₹ in Lakhs)

Name of Associates	Patikari Power Private Limited
1. Latest audited Balance Sheet Date	31.03.2024
2. Shares of Associate held by the Company on the year end	1,06,45,200
Amount of Investment in Associates	₹ 1,064.52
Extent of Holding %	25.89%
Description of how there is significant influence	Two directors nominated
3. Reason why the associate is not consolidated	Not Applicable
4. Net worth attributable to Shareholding as per latest audited Balance Sheet	₹ 1477.46
5. Profit / (Loss) for the year	
i. Considered in Consolidation	₹ 21.41
ii. Not Considered in Consolidation	-

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

**A. Indra Kumar**

Chairman and Managing Director  
DIN: 00190168

Place : Hyderabad  
Date : 22<sup>nd</sup> May, 2024

## Annexure -3

# Management's Discussion and Analysis

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### Caveat

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

### Global Economy

The good news is that Global Growth is holding steady having slowed for 3 consecutive years. Inflation has been cut to a 3 year low. The Financial conditions have brightened. The World Economy, in short, appears to be in a final approach for a "soft landing".

Global growth is stabilizing at a rate of 2.7% a year on average through 2026, despite geopolitical tensions and high interest rates, well below the 3.1% average in the decade before COVID-19. This modest improvement in growth follows a couple of years of post COVID-19 pandemic, continued Russia-Ukraine War, its fallout of pushing up inflation in developed economies, the recent Israel invasion of Gaza and conflict with Hamas and the consequence of Red Sea crisis are all putting pressure on the Global Economy.

Despite an improvement in near- term growth prospects, the outlook remains subdued by historical standards in advanced and Emerging Markets and Developing Economies (EMDE) alike.

There are, of course, notable bright spots in the Global Economy. The US Economy, in particular, has shown impressive resilience. Growth has remained buoyant in the teeth of fiercest Monetary Policy tightening in 4 decades.

Among the EMDEs **India** and **Indonesia** are two additional examples of **robust performance**. India's economy has been buoyed by strong domestic demand, with a surge in investment, and robust services activity. It is projected to grow at an average of 6.7% per fiscal year from 2024 through 2026 – making South Asia the World's fastest growing region. Indonesia is expected to benefit from a growing middle class and generally prudent Economic Policies, expanding by an average of 5.1% over the next two years.

### Aquaculture And Seafood Industry Overview

World fisheries and aquaculture production has hit a new high, with aquaculture production of aquatic animals surpassing capture fisheries for the first time, according to a new report from the Food and Agriculture Organization of the United Nations (FAO).

The State of World Fisheries and Aquaculture features, the "Blue Transformation" in action illustrated by activities, initiatives, led by FAO in collaboration with, partners and key stakeholders, to integrate Aquatic Foods into Global Food Security and Sustainability, enhance Policy advocacy, scientific research and capacity building, disseminate sustainable practices and technological innovations, and support community involvement.

The aquaculture market size is expected to see strong growth in the next few years. It will grow to \$340.3 billion in 2028 at a compound annual growth rate (CAGR) of 6.5%. Forecasted growth is driven



by increased seafood demand, a health-conscious consumer base, rising fish oil demand, and global population growth combined with urbanization.

The key trends observed in the sector include IoT connectivity, technological advancements, aquaculture drone use, research and development, artificial intelligence integration, climate change-resistant species adoption etc.

The global population is on the rise and is projected to reach 10 billion by 2050, leading to an increased demand for food. "The Agricultural Outlook" by the OECD and FAO predicts a 13% growth in global cereal production by 2027 to meet the needs of the expanding population. Consequently, companies in various markets, including seafood manufacturing, are poised to benefit from the growing demand for food and beverage products as a result of the increasing population during the forecast period.

According to the UN FAO, in the next 10 years, aquaculture must expand sustainably to satisfy the gap in global demand for aquatic foods, especially, in food-deficit regions, while generating new or securing existing sources of income and employment. The demand for aquatic food is expected to be 'ever green'.

The 2030 Agenda of ("UNFAO") for Sustainable Development continues to shape the strategies for development of Fisheries and Aquaculture.

The "Blue Transformation", is a vision for transforming Aquatic Food Systems. Aquatic Foods offer highly accessible and affordable sources of animal proteins and micro nutrients, playing a vital role in the food and nutrition security of many, particularly, vulnerable coastal population.

### Aquaculture and Seafood Sector-Indian Scenario:

India's Seafood exports touch all time high with 17,81,602 MTs worth \$ 7.38 Bn of Seafood during 2023-24 despite several challenges in major export markets USA, EU and UK, with Frozen Shrimp remaining the major export item in Quantity and Value, while the USA and China are the major importers of Indian Seafood. However, there is decline by 5.38% in value terms.

The Indian aquaculture sector is poised to grow in the financial year 2024-25 with the Union government announcing a slew of measures in its interim budget presented in February. Accordingly, under the PMMSY, the government aims to double the aquaculture exports to nearly rupees one lakh crore and generate over 50 lakh job opportunities.

Aquaculture continues to be an important sector in Indian Economy, contributing to not only for Food Security but also providing employment to large scale coastal habitants while earning valuable Foreign Exchange to the country. The Govt. of India recognized transformation of Shrimp Culture in India as "Blue Revolution", wayback in late 80's and early 90's. Large coastal region of India has been brought under Shrimp Culture since then and the export of processed shrimp is growing year after year. The production of seafood and Shrimp over the past 4 years i.e. from 2019-20 to 2022-23 is given below:

Exports during the Year	Total Seafood		Frozen Shrimp	
	Qty (in Mts)	Value (₹ in Crores)	Qty (in Mts)	Value (₹ in Crores)
2022-23	1735286	63969.14	711099	43,135.58
2021-22	13,69,264	57,586.48	7,28,123	42,706.04
2020-21	11,49,510	43,720.98	5,90,275	32,520.29
2019-20	12,89,651	46,662.85	6,52,253	34,152.03

Indian Shrimp production 2023-24 reduced by nearly 8% compared to previous year. In 2023-24 shrimp Production was 850 thousand MT, compared to 920 thousand MT in 22-23, The major factor for reduction in shrimp WSA, Increase in Disease outbreak (WSS, EHP, White feases), Unstable and fluctuating prices, Limited cash flow with farmers and channel partners, Increasing cost of Inputs, unfavorable weather conditions.

There was increase in Black Tiger culture, totally Indian farmers (Gujarat and South AP) produced 42000 MT of BT shrimp in 2023-24, Most of the BT farmers earned better profits compared to Vannamei culture.

Andhra Pradesh accounts for approximately 75-85% of India's shrimp production. While other states, such as Odisha, West Bengal, and Gujarat, have expanded production over the past decade and still have great potential, it has become clear that producers outside AP struggle to compete under the current market conditions. The main reasons are AP offers relatively low electricity, PL, and feed costs.

### **Shrimp Feed Consumption:**

On the basis of estimated shrimp production of about 8 Lakh Mts in 2023, the Feed consumption is estimated to be about 10.5 - 11 lakh Mts.

The Company's feed sales during the FY 2024 was about 5.31 lakh MT's as compared to 4.97 Lakhs MT's in FY 2023, an increase of 34,000 MTs.

The Indian shrimp feed market reached \$1.7 billion in 2023. It is expected to reach \$7.1 billion by 2032 at a growth rate of 17.21% CAGR during the period, according to [researchandmarkets.com](https://www.researchandmarkets.com).

The changing dietary patterns and a rising preference for seafood, particularly shrimp, among consumers are stimulating the shrimp farming industry and, consequently, the shrimp feed industry. As India becomes more health-conscious, the high protein content and low fat in shrimps make them an attractive choice for many. This shift in consumption patterns is encouraging aquaculture farmers to increase their production to meet this demand, hence boosting the demand for shrimp feed. Along with this, the escalating shift towards sustainable and intensive shrimp farming practices to increase yield while reducing environmental impacts is positively influencing the market, it said.

### **Shrimp Processing and Export:**

The Country's Shrimp exports, in terms of value, declined in FY 23 compared to FY 22 by 8.11% from US\$ 5,234 million to US\$ 4,809 million.

The Country's overall export of frozen shrimps, in quantitative terms, for FY 23 was 7,11,099 MTs as compared to 7,28,123 MTs in FY 22, a decline of 17,024 MTs representing 2.34%.

The Company's Shrimp exports during the FY 24 was about 13,443 MTs as compared to 12,497 MTs in the FY 23, an increase by 946 MTs. It is estimated that the exports during FY 25 would be around 16,000 MTs.

The major factors for the slight decline in the exports are the high inflation rates ruling in most developed economies that is impacting the purchasing power of the consumer; the increased production and export from Ecuador at a lesser cost; issues of supply chain management and rising costs of logistics. The demand from the Chinese market has also been sluggish. With Ecuador competing in the US market, India is pushing into other markets and also concentrating on exports of value added Products to increase its market share. In addition to the EU, new markets include, Canada, Japan, Russia, and the UK.

### **Strengths, Weaknesses, Opportunities and Threats:**

#### **Strengths**

Avanti Feeds is pioneer in Indian Shrimp Industry having over three decades of operations. The company has strong and long lasting collaboration with Thai Union, a multi- national company in Global Seafood Industry. The Company is in constant interaction with Thai Union in exchange of developments in Aquaculture industry, bringing into India and to the door step of the Indian farmer to reap the best results in Aquaculture. The Feed formulation, Disease Management, Global market developments are exchanged periodically and Strategies are formulated to be the best provider of services to the farmer. This has resulted in a strong base of loyal farmers to the Company. The Company has ventured into research & development projects for sustainable growth in Shrimp Farming.

Avanti is well-equipped to meet the comprehensive needs of farmers. It has built a strong PAN-India feed dealership network and established partnerships with channel partners, processing units, and hatcheries. Regular interactions with stakeholders ensure seamless integration of operations. The company maintains constant communication with aqua-farmers, offering outreach programs and round-the-clock services through its qualified and experienced technical staff.

These initiatives have propelled Avanti to achieve a dominant position with a nearly 50% market share in the shrimp feed sector. The company is taking further steps to not only maintain but also increase its market share. Its subsidiary, Avanti Frozen Foods Private Ltd., focused on shrimp processing and export is expected to experience significant growth in both traditional and value-added products. The processing facilities are being expanded, with a particular focus on cooked and value-added products. Avanti is strategically focusing on exploring new export markets for both shrimp feed and shrimp exports.

To achieve these goals and more, Avanti has devised a strategy that allows for rapid scaling up of production through high-value capital expenditure (CAPEX) investments. This strategy positions the company to capitalize on the growing demand and opportunities in the shrimp industry.

## Weaknesses

Despite being a significant sector in the Indian economy, the aquaculture industry faces several challenges and weaknesses. These include high production costs, inadequate infrastructure facilities, power supply issues, unregulated cost of raw materials, and shortage of cold storage facilities, and rising cost of ocean freights.

In addition, highly fluctuating raw material costs, dependence on climatic conditions and international developments on Shrimp prices, the Company is put to severe hardship, more often than not, due to factors beyond its control.

While the aquaculture industry and its stakeholders are aware of these challenges and taking measures to address them, government policies are slowly coming into play to help overcome some of these issues. For instance, in the Union Budget 2023-24, the government announced a reduction in customs duty on key inputs for producing shrimp food, which is expected to boost marine exports gradually. Similarly, the ongoing "Productivity Linked Incentive Scheme" for the marine products industry, which provides incentives based on increased sales year after year, has also proven beneficial. Avanti Frozen Foods has been granted this incentive scheme.

Furthermore, the Government of India is offering grant-in-aid for new processors to cover technical civil works and plant and machinery costs, up to 35% of the total cost with a cap of ₹ 10 crores. AFFPL has been granted this aid.

Avanti Feeds is aware of these weaknesses and challenges and is pro-actively preparing to overcome them through sustained measures. The company remains confident in its ability to address these issues and mitigate their impact on its operations.

## Opportunities

The global seafood market has been witnessing a continuous uptick in recent years riding on recognition of its benefits to health. The growing awareness of the health benefits of seafood, with its nutritional and protein content, presents a favorable environment for increased consumption.

Health experts promoting seafood as a healthier alternative to red meat, which is being associated with challenges to human health, further contributes to the market's potential. Additionally, the rising purchasing power of the middle class and their desire for diverse food choices create opportunities for the seafood industry, including shrimp.

India, with its long coastline, farming community, and availability of land and labor, has emerged as a major player in the global shrimp industry. The Marine Products Export Development Authority (MPEDA), under the Union Ministry of Commerce, has drawn up a plan to achieve marine products exports worth ₹ 1 Lakh Crore by 2025, showcasing the government's commitment to supporting and promoting the industry's growth.

However, recent international market challenges, such as high inflation in developed nations, the Russia- Ukraine conflict, and lock downs in China, have posed supply chain and price challenges in the short term. As a result, the rapidly growing shrimp export industry in India has come under pressure.

To mitigate the risks associated with excessive reliance on exports, there is a need to focus on promoting and expanding domestic consumption and markets. Avanti Feeds has recognized this need and is preparing itself accordingly. According to data from the Food and Agriculture Organization of the United Nations, the per capita world shrimp consumption is estimated to be around 6.4 kilograms per person per year. This figure can vary by region, with some countries consuming more shrimp than others. The Company believes a that there is huge opportunity to increase domestic market.

The company has taken proactive steps, including product innovations, exploring new distribution channels, embracing e-commerce and home deliveries, and optimizing supply chains. These measures have strengthened the company's position and demonstrated its preparedness in anticipation of market trends. The company's performance over the past two years, with increased top-line growth, is a testament to its readiness to tap into domestic opportunities and adapt to market dynamics.

## Threats

The aquaculture industry, including shrimp farming, faces various threats and challenges that need to be addressed for sustainable growth. These threats can be categorized into climate-related risks, production costs and disease control, market volatility, and external factors.

1. **Climate-Related Risks:** Aquaculture is highly dependent on favorable climatic conditions, and events like floods, cyclones, and other natural disasters can disrupt production. Climate change poses long-term risks to the industry, including changes in water temperatures, ocean acidification, and rising sea levels, which can impact shrimp farming.
2. **Production Costs and Disease Control:** Farmers face challenges related to the cost of production, including feed costs, availability and quality of seeds, disease prevention and control measures, and ensuring food safety standards. Disease outbreaks can cause significant economic losses and affect the overall sustainability of the industry.
3. **Market Volatility:** The international shrimp market is subject to price volatility, which can impact the profitability of shrimp farmers and exporters. Fluctuating foreign exchange rates and increasing raw material costs, including feed ingredients, can further add to market uncertainties.
4. **External Factors:** Factors such as high inflation in importing nations, restrictions due to the COVID-19 pandemic, and continued Russia-Ukraine War, its fallout of pushing up inflation in developed economies, the recent Israel invasion of Gaza and conflict with Hamas and the consequence of Red Sea crisis and increasing ocean freights can impact international trade and export opportunities. Dependence on imported Specific Pathogen-Free (SPF) Vannamei brood stock raises concerns about the long-term impact if international cargo movements are restricted.

To mitigate these threats and achieve sustainable growth, Avanti Feeds focuses on the following:

**Diversification and Domestic Market Opportunities:** Explore and tap into the potential of the domestic market to reduce reliance on volatile international markets. Developing strategies to meet the growing demand for seafood within the country can help de-risk the industry.

Also diversify into production of formulated Fish Feed for mainly domestic market.

**Traceability and Pond Management:** Implementing strict traceability systems and adopting scientific pond management practices can enhance productivity, reduce disease risks, and ensure compliance with food safety standards. This can help build consumer trust and confidence.

**Forex Management:** Managing foreign exchange risks through effective forex management strategies can help mitigate the impact of fluctuating exchange rates on profitability.

**Research and Development:** Continued investment in research and development is crucial to developing disease-resistant shrimp varieties, improving feed formulations, and implementing sustainable farming practices.

By addressing these threats and implementing necessary measures, Avanti minimises risks and works towards long-term growth and sustainability.

## Future Outlook for India's Aquaculture and Seafood Sector:

In line with Global forecast of moderate recovery of Fisheries Sector in 2024 over 2023, the stockings of seed for first crop of Shrimp Culture in India commenced during 2<sup>nd</sup> half of Jan-2024 with an increase of about 10% to 15% over the corresponding period of the previous year, with a positive outlook for a successful first crop season. However, unfortunately, due to uncertain and unfavourable climatic conditions, white spot disease affecting the culture in some of the areas and fluctuations in farm gate price, the culture did not progress as expected and there were forced harvesting in some of the areas, impacting the overall production of shrimp securing the first quarter.

However, with climatic conditions being more stable, after a severe summer, the farmers are looking forward to commence fresh stockings from first week of June'24. Hopefully, this crop survives full season of 90 days to 120 days and the farmers will be able to make it a profitable quarter. The company will also be in a position to increase feed sales in ensuing two quarters.

The processing and export of Shrimp division is also expected to increase exports to about 16,000 MTs for the current year, considering commencement of commercial production by the new processing plant at Krishnapuram. The company is focusing on increasing the processing & export of value added products during FY 25. As mentioned before, the company's value added products exports have gone up by 142% in FY 24, compared to previous year. The company while strengthening the exports to US and Canada market, also exploring other markets like Japan, Korea, etc.

At this juncture, we would like to share with you two important events that have impact on Aquaculture Industry.

The First one, the levy of Countervailing Duty (CVD) @ 4.36% on export of shrimps by US Dept. of Commerce effective from 01<sup>st</sup> April, 2024. The USDOC has made preliminary determination of CVD rate on the basis of complaint lodged by US domestic Shrimp industry against imports from India and preliminary data analysed by the USDOC. In the next step, USDOC will determine final rate basing on the objections raised by the Seafood Exporters Association of India and on the basis of data provided by Govt. of India. The final determination is scheduled to be announced on first half of October, 2024. In the meantime, the exporters are required to deposit the CVD @ 4.36%, subject to adjustment after final determination. Along with India, other countries Ecuador, Vietnam and Indonesia have also been levied CVD at different rates. The Seafood Exporters Association, MPEDA, EIA and Govt. of India are making efforts to get CVD withdrawn at the time of final determination in October'24.

The Industry considers these upheavals are part and parcel of the business activity and they do not hinder the sustainable growth of the Industry.

The Govt. of India has been focusing and encouraging Aquaculture Sector by extending promotional schemes like PLI Scheme, Operations Green, etc. which the company is availing. It is heartening to note that in the Budget for 2024-25 presented by the Honourable Finance Minister on 1st February 2024 announced "Pradhan Mantri Mastya Sampada Yojana (PMMSY)" is being stepped up to enhance Aquaculture productivity from existing 3 to 5 Ton/Hectare, doubling exports to Rs. 1 Lakh Crore and generate 55 Lakhs employment opportunities along with big infrastructural changes of establishing 5 integrated Aqua parks. Further details of the scheme are expected to be notified after the General Elections, while presenting the Regular Union Budget.

To conclude, the stake holders of the industry look forward for a bright future for the Aquaculture industry in 2024 and thereafter, unless any unforeseen developments in climate condition or changes in global market scenario impacts the Industry.

## POWER

The Company has investment in the following power projects:

- a) The 3.2 MW Wind Mill Project in Chitradurg, Karnataka State installed in the year 2005 is operational and has generated 47.95 Lakhs units during the year.
- b) Srivathsa Power Projects Private Limited.

Srivathsa Power Projects Private Limited, is a 17.2 MW gas based independent power project situated in Andhra Pradesh.

During the Financial year 2023-24, Plant was stopped generating power due to increase in APM-gas price and non-availability of APM-gas since May,2022. In addition to that in the month of July,2022, Gail India Limited – a Government of India undertaking – a Maharatna Company, who is a natural gas supplier to Srivathsa, had informed that, as per the Ministry of Petroleum and Natural Gas guidelines and directives, the APM gas from KG basin allocated to power plants will be diverted to CGD (City Gas Distribution) entities outside KG basin w.e.f 01<sup>st</sup> August,2022. As per the above guidelines, Srivathsa is not getting APM gas from Gail India Limited. As a result, there is no power generation during the financial year. During the year 2023-24, the Company reported Other Income of ₹ 23.74 Lakhs and a loss of (₹ 161.42 ) Lakhs after charging interest and depreciation, as per audited financials.

(c) Patikari Power Private Limited

The Company holds 25.88% equity shares in PPPL which has a 16 MW Hydel Power Project in Himachal Pradesh, India. During the Financial year 2023 24 as per audited financials the Company generated 36.13 Million saleable energy units, yielding a gross sales income of ₹ 693.15 Lakhs which resulted in a net profit of ₹ 82.71 Lakhs after charging interest, depreciation and tax. For the FY 2023-24, the Company has not declared any dividend to the shareholders during the financial year 2023-24 as the plant was shutdown from 12<sup>th</sup> August, 2023 to 24<sup>th</sup> February, 2024 due to heavy rains with unexpected floods and land slide the project was heavily damaged. The plant was restored and the damaged was recovered thru Insurance.

## Internal Control Systems and their Adequacy

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

The Company has engaged an Independent Chartered Accountant firm as Internal Auditor responsible to ensure compliance of all the statutory requirements by the Company. The finance department in co-ordination with Internal Auditor is also responsible for periodical risk appraisal, internal as well as external, of all the functional departments in the organization is being taken up. On the basis of the appraisal, potential risks are identified and preventive measures are initiated depending on the perceived gravity of the risk.

Discussion on Financial performance with respect to operational performance.

### (i) Operational Performance

The financial statements have been prepared in compliance with the requirement of the Companies Act, 2013 and Indian Accounting Standards in India. During the year under review, your company reported Profit Before Tax of ₹ 40,700.13 Lakhs as compared to ₹ 30,680.90 Lakhs in the previous year.

### (ii) Segment-wise Performance

The segment-wise performance of the Company during the Financial year 2023-24 is disclosed in the Notes to Accounts at Schedule No. 34.

## Key Financial Ratios

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

Particulars	2024	2023
Operating Profit Margin (%)	7.48%	6.06%
Net Profit Margin (%)	7.18%	5.76%
Debtors Turnover – (No of times)	12.56%	15.13
Inventory Turnover	7.00%	6.33
Current Ratio	6.25%	5.88
Return on Net worth (%)	16.44%	13.78%

### Notes:

Debtors Turnover ratio has been computed for both years on the basis of Gross Sales Value (net of rebates and discounts) instead of Gross Revenue.

Net Profit Margin and Return on Net worth ratios have been computed based on Profit After Tax (before exceptional items).

Interest Coverage Ratio and Debt Equity ratio are not relevant for the Company as it has negligible debt.

## Human Resources / Industrial Relations

The process of Shrimp Feed production involves specialization in procurement of suitable raw materials, feed formulation, production to suit the needs of Shrimp Culture, which needs qualified and trained staff for these operations. The marketing staff has to be well trained in techniques of shrimp culture to assist to the farmers. In this direction, the Company imparts expert training in the respective field and develops Human Resource capabilities. The periodical trainings, incentives, increments and other welfare measures ensure healthy industrial relations. The total number of employees as on 31<sup>st</sup> March, 2024 are 1542 employees.

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

**A. Indra Kumar**  
Chairman & Managing Director  
DIN: 00190168

Place : Hyderabad  
Date : 22<sup>nd</sup> May, 2024

# Annexure - 4

## Business Responsibility and Sustainability Report

[Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015]

### SECTION A: GENERAL DISCLOSURES

#### 1. DETAILS OF THE ENTITY

Sl. No.	Particulars	Response
1	Corporate identity Number (CIN) of the Entity	L16001AP1993PLC095778
2	Name of the Entity	Avanti Feeds Limited
3	Year of incorporation	1993
4	Registered office address	Flat No. 103, Ground Floor, "R" Square Pandurangapuram Vishakhapatnam Andhra Pradesh – 530003, India
5	Corporate address	G-2, Concorde Apartments, House No. 6-3-658 Somajiguda Hyderabad – 500082 Telangana, India.
6	E-mail	<a href="mailto:investors@avantifeeds.com">investors@avantifeeds.com</a>
7	Telephone	+91-40-23310260/61
8	Website	<a href="http://www.avantifeeds.com">www.avantifeeds.com</a>
9	Financial year for which reporting is being done	2023-24
10	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited (NSE) and BSE Limited (BSE)
11	Paid-up Capital	₹ 13,62,45,630 (Divided into 13,62,45,630 shares of ₹ 1 each)
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report.	Sri C. Ramachandra Rao Joint Managing Director, Company Secretary, CFO & Compliance Officer DIN: 00026010 Tel: 040-23310260/61 email: <a href="mailto:investors@avantifeeds.com">investors@avantifeeds.com</a>
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The disclosures under this report are on standalone basis, unless otherwise specified
14	Name of assurance provider	J Sundharesan & Associates
15	Type of assurance obtained	Limited Assurance



## 2. PRODUCTS/SERVICES

### 16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Agriculture, forestry, fishing	Fishing and Aquaculture	100%

### 17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Shrimp Feed	10809	99.60
2.	Hatchery	03219, 03229	0.36
3.	Power from Windmills	35106	0.04

## 3. OPERATIONS

### 18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	The company possesses the following plants: <ul style="list-style-type: none"> <li>6 Shrimp Feed Manufacturing units</li> <li>1 Hatchery</li> <li>1 Wind Power Generation plant with a capacity of 3.2 MWs</li> </ul>	02	10
International	-	-	Not Applicable

### 19. Markets served by the entity:

#### a) Number of locations

Locations	Number
National (No. of States)	15
International (No. of Countries)	2

#### b) Contribution of exports:

What is the contribution of exports as a percentage of the total turnover of the entity?	0.31
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### c) Type of Customers

<b>A brief on types of customers</b>	<p>Avanti primarily focuses on the B2B sector, specializing in the manufacturing and distribution of high-quality Shrimp Feed and Shrimp Seed. Our customer base consists of a wide network of dealers and distributors who rely on our products to meet the demands of their businesses. In addition to our main focus, we have also expanded our operations to include the generation of renewable energy through wind power. In summary, Avanti serves the following key stakeholders:</p> <p><b>Dealers and Distributors:</b> Our extensive network plays a crucial role in distributing our high-quality Shrimp Feed to various markets.</p> <p><b>Farmers:</b> We meet the needs of shrimp farmers by providing premium Shrimp Seed, enabling them to enhance their aquaculture operations.</p> <p><b>BESCOM:</b> Avanti contributes to sustainable energy production by supplying wind-generated power, supporting BESCOM's efforts to meet the region's electricity demands.</p> <p>Through our diverse portfolio, we strive to maintain strong partnerships with our customers and make significant contributions to the aquaculture industry.</p>
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## 4. EMPLOYEES

### 20. Details at the end of the year of financial year:

#### a) Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>Employees</b>						
1	Permanent (D)	743	713	95.96	30	4.04
2	Other than Permanent (E)	12	12	100	0	0
3	Total employees (D + E)	755	725	96.03	30	3.97
<b>Workers</b>						
1	Permanent (F)	565	565	100	0	0
2	Other than Permanent (G)	222	222	100	0	0
3	Total workers (F + G)	787	787	100	0	0

#### b) Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>Differently Abled Employees</b>						
1	Permanent (D)	4	4	100	0	0
2	Other than Permanent (E)	0	0	0	0	0
3	Total employees (D + E)	4	4	100	0	0
<b>Differently Abled Workers</b>						
1	Permanent (F)	2	2	100	0	0
2	Other than Permanent (G)	0	0	0	0	0
3	Total workers (F + G)	2	2	100	0	0

**21. Participation/Inclusion/Representation of women:**

Category	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	11	1	9.09
Key Management Personnel	3	0	0

**22. Turnover rate for permanent employees and workers: (Disclose trends for the past 3 years)**

	FY 2023-24 (Turnover rate in current FY)			FY 2022-23 (Turnover rate in previous FY)			FY 2021-22 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	7.20%	13.11%	7.45%	9.20%	6.50%	9.02%	5.90%	7.10%	5.94%
Permanent Workers	1.17%	0%	1.16%	8.00%	0.0%	8.02%	3.30%	0.0%	3.27%

**5. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)**
**23. Names of holding / subsidiary / associate companies / joint ventures:**

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Avanti Frozen Foods Private Limited	Subsidiary	60	No
2.	Avanti Pet Care Private Limited	Subsidiary	74.93	No
3.	Srivathsa Power Projects Private Limited	Subsidiary	100	No
4.	Patikari Power Private Limited	Associate	25.89	No

**6. CORPORATE SOCIAL RESPONSIBILITY (CSR) DETAILS**
**24.**

S. No.	Requirement	Response
1.	Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)	yes
2.	Turnover (in Lakhs)	4,29,028.48
3.	Net worth (in Lakhs)	1,98,525.05

## 7. TRANSPARENCY AND DISCLOSURES COMPLIANCES

### 25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes*	0	0	-	0	0	-
Investors (other than shareholders)	Yes*	0	0	-	0	0	-
Shareholders	Yes*	126	0	The complaints received pertained to matters relating to general corporate affairs and the same has been disposed off in a responsible manner.	90	0	The complaints received pertained to matters relating to general corporate affairs and the same has been disposed off in a responsible manner.
Employees and workers	Yes*	0	0	-	0	0	-
Customers	Yes*	0	0	-	0	0	-
Value Chain Partners	Yes*	0	0	-	0	0	-

\*The Stakeholder Management Policy of the Company guarantees the proper and structured resolution of complaints raised by both internal and external stakeholders, with the objective of mitigating potential social risks. Strict confidentiality is upheld during the entire grievance management procedure, thereby fostering stronger relationships. Some of the policies/mechanisms guiding the Company's conduct with its stakeholders, including grievance mechanisms are placed on the Company's website [https://avantifeeds.com/policies-vigil\\_mechanism/](https://avantifeeds.com/policies-vigil_mechanism/) and the rest are available internally with the Company.

### 26. Overview of the entity's material responsible business conduct issues:

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:



S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Waste & Materials Management	Risk & Opportunity	<ul style="list-style-type: none"> <li>Poor and Improper waste and material management practices can create health risks for both humans and shrimp.</li> <li>The Company is subject to various regulations and standards related to waste and material management, failure to comply with these regulations can result in fines, legal action, and damage to the company's reputation.</li> </ul>	Avanti has proper storage, handling, and disposal of waste and materials, as well as measures to reduce waste generation. The Company has implemented a standards related to waste material management, failure to comply with these regulations can result in fines, legal action and damage to the Company's reputation.	Positive & Negative
2.	Labor Practices	Opportunity	<ul style="list-style-type: none"> <li>A positive and supportive working environment improves the productivity and quality of work performed by employees. This leads to improved product quality and customer satisfaction, ultimately benefiting the company's bottom line.</li> <li>Fair wages and working conditions helps to reduce labour turnover, which in turn can lead to reduced change in work environment impact and improved social sustainability.</li> </ul>	-	Positive
3.	Selling Practices	Opportunity	<ul style="list-style-type: none"> <li>The shrimp feed industry is highly competitive, with many companies offering similar products. Adopting unique selling practices helps the company differentiate its products and stand out from the competition, which can attract more customers and increase sales.</li> <li>With the global demand for shrimp increasing, particularly in countries like the United States, Japan, and Europe, there is a growing market for high-quality shrimp feed and as such selling practices like engaging with international buyers, participating in trade shows, and complying with international regulations, Avanti taps into this market and expand our business.</li> </ul>	-	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4.	Energy Management	Opportunity	<ul style="list-style-type: none"> <li>• Effective energy management helps Avanti reduce its energy consumption and lower the energy bills, leading to cost savings as production of feed requires energy-intensive processes such as grinding, mixing, and extrusion.</li> <li>• Implementing energy practices is reducing company's carbon footprint and is contributing to environmental sustainability as energy consumption is a significant contributor to greenhouse gas emissions.</li> <li>• By setting up solar and wind energy plants Avanti aims to reduce emissions and mitigate climate change, which is critical for protecting humans, wildlife, and ecosystems.</li> </ul>	-	Positive
5.	Product Quality & Safety	Opportunity	<ul style="list-style-type: none"> <li>• The Company is tapping into growing demand for quality and safe shrimp feed and increase their market share.</li> <li>• High-quality and safe shrimp feed commands premium prices in the market and help build a loyal customer base.</li> </ul>	-	Positive
6.	Materials Sourcing & Efficiency	Opportunity	<ul style="list-style-type: none"> <li>• Efficient sourcing and use of materials helps Avanti to reduce production costs, which ultimately lead to lower prices for customers.</li> </ul>	-	Positive

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

S. No	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>										
1.	a Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	c Web Link of the Policies, if available	Avanti's Policies can be accessed through <a href="https://avantifeeds.com/policies/">https://avantifeeds.com/policies/</a> . Moreover, certain policies of the Company are accessible via the internal platform specifically provided for internal usage. This platform functions as a comprehensive repository for a variety of policies that govern the organization's operations and establish standards of conduct within the Company.								
2.	Whether the entity has translated the policy into procedures. (Yes / No)	Yes, Avanti has translated the policies into procedures.								
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	Not all the enlisted policies may extend to our value chain partners. However Avanti ensures its suppliers/contractors comply with the law of the land by getting such clauses incorporated in their respective Purchase orders/contracts/agreements and terms and conditions of the tenders. Further the suppliers adhere to rigorous standards such as RTRS, Marin Trust & Food chain Certifications.								
4.	Name of the national and international codes / certifications / labels / standards (e.g. Forest Stewardship Council, Fair trade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	<p>The operations are in conformance to the spirit of international standard and certifications like</p> <ul style="list-style-type: none"> <li>• ISO 9001:2015</li> <li>• Best Aquaculture Practices (BAP)</li> <li>• Hazard Analysis Critical Control Point (HACCP)</li> <li>• (HALAL)</li> <li>• Also, Avanti's operations adhere to the National Guidelines on Responsible Business Conduct (NGBRC), underscoring its unwavering dedication to ethical business practices.</li> </ul>								

S. No	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
5.	Specific commitments, goals and targets set by the entity with defined time lines, if any.	<b>S. No</b>		<b>Specific commitments, goals and targets</b>		<b>Targets and Time lines</b>				
		1.	We are dedicated to implement comprehensive strategy to progressively reduce our reliance on grid electricity and increase the integration of renewable energy sources throughout the operations.	<ul style="list-style-type: none"> <li>Implementing energy-efficient technologies and equipment to optimize electricity usage.</li> <li>Set an annual target to reduce grid electricity by 10% by 2030.</li> <li>Monitor and track progress regularly. Conducting quarterly assessments to evaluate the effectiveness of implemented measures and adjust strategies accordingly.</li> </ul>						
		2.	We are fully committed to implementing a comprehensive support framework that focusses on the development and growth of our farmers. Through assessments, evaluations, engagement, collaboration and training, we aim to drive positive change and uplift the livelihood of farmers.	<ul style="list-style-type: none"> <li>To improve the information system to the farmers for taking timely action depending in international market demand &amp; supply situations.</li> <li>Upgrade the skill of the farmer to conduct 350+ training programmes on the Best Practices in Aquaculture Sector.</li> <li>Increase of training programs with the Industry Experts.</li> <li>Adapting the Cost effective methods followed by farmers in other regions These programs will focus on enhancing their productivity levels and reducing losses in their operations.</li> </ul>						
6.	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met	<b>S. No</b>		<b>Specific commitments, goals and targets</b>		<b>Targets and Time lines</b>				
		1.	We are dedicated to implement comprehensive strategy to progressively reduce our reliance on grid electricity and increase the integration of renewable energy sources throughout the operations.	Implementing energy-efficient technologies and equipment to optimize electricity usage.		Avanti has made significant investments on laying of solar panels to optimize electricity usage.				
				Setting an annual target to reduce grid electricity by 10% by 2030.		There has been an approximate 2% reduction in grid electricity for the year 2023-24.				
				Monitor and track progress regularly. Conducting quarterly assessments to evaluate the effectiveness of implemented measures and adjust strategies accordingly.		Avanti has taken measures to evaluate the effectiveness of implemented measures and adjust strategies accordingly.				



S. No	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9	
		<p>2. We are fully committed to implementing a comprehensive support framework that focusses on the development and growth of our farmers. Through assessments, evaluations, engagement, collaboration and training, we aim to drive positive change and uplift the livelihood of farmers.</p>		<p>To improve the information system to the farmers for taking timely action depending in international market demand &amp; supply situations.</p>	<p>Avanti has conducted over 350+ training sessions dedicated to the welfare of farmers, covering a comprehensive range of topics as given in the commitment.</p>	<p>Upgrade the skill of the farmer on the Best Practices in Aquaculture Sector.</p>	<p>Avanti has conducted over 350+ training sessions dedicated to the welfare of farmers, covering a comprehensive range of topics as given in the commitment.</p>	<p>Increase of training programs with the Industry Experts</p>	<p>Avanti has conducted over 350+ training sessions dedicated to the welfare of farmers, covering a comprehensive range of topics as given in the commitment.</p>	<p>Adapting the Cost effective methods followed by farmers in other regions These programs will focus on enhancing their productivity levels and reducing losses in their operations.</p>	<p>Avanti has conducted over 350+ training sessions dedicated to the welfare of farmers, covering a comprehensive range of topics as given in the commitment.</p>
<b>Governance, leadership and oversight</b>											
7.	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements	<p>As part of our commitment to transparency and sustainable practices, I am pleased to present our Business Responsibility and Sustainability Report for the fiscal year. At Avanti Feeds we recognize the importance of Environmental, Social, and Governance (ESG) factors in our operations, especially in the aquaculture industry where responsible practices are paramount. Navigating the complex landscape of the industry presents several ESG challenges. Key among these are ensuring minimal environmental impact, maintaining high social standards across our supply chain, and adhering to stringent governance principles amidst evolving regulatory frameworks.</p> <p>I am pleased to report significant progress towards our ESG goals:</p> <ul style="list-style-type: none"> <li>• <b>Environmental:</b> Implemented water recirculation systems &amp; Solar panels there by reducing water withdrawal and dependency on grid electricity.</li> <li>• <b>Social:</b> Conducted 350+ training programs benefiting over 10,000+ farmers and community members on responsible practices.</li> <li>• <b>Governance:</b> Secured certifications from various bodies and agencies for sustainable practices.</li> </ul> <p>Moving forward, we remain committed to fostering a culture of transparency, accountability, and continuous improvement in our ESG performance. By integrating ESG considerations into our core business strategy, we aim to create long-term value for our stakeholders while contributing positively to the environment and communities in which we operate.</p> <p style="text-align: right;"><b>Dr. A. Indra Kumar</b> Chairman &amp; Managing Director DIN: 00190168</p>									

S. No	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	Dr. A. Indra Kumar (DIN: 00190168) Chairman & Managing Director of the Company.								
9.	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details	Dr. A. Indra Kumar (DIN: 00190168) Chairman & Managing Director, and Sri C. Ramachandra Rao (00026010), Joint - Managing Director, Company Secretary and CFO are responsible for decisions on all sustainability related issues.								

#### 10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee										Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9	
Performance against above policies and follow up action	Yes, performance review is undertaken by Dr. A. Indra Kumar, Chairman & Managing Director (DIN: 00190168), and Sri C. Ramachandra Rao, Joint - Managing Director, Company Secretary and CFO (DIN: 00026010).										Quarterly								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Yes, we comply with statutory requirements relevant to the principles with regard to Statutory requirements and review was undertaken by the Board of Directors.										Quarterly								

#### 11. Independent assessment/ evaluation of the working of its policies by an external agency:

Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Yes, J. Sundharesan & Associates, has provided a 'Limited Assurance' on working of its policies.								

**12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:**

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
It is planned to be done in the next financial year (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
Any other reason (please specify)	NA	NA	NA	NA	NA	NA	NA	NA	NA

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

### PRINCIPLE 1:

Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent and accountable



### A) ESSENTIAL INDICATORS:

#### 1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	1	Training on the principles of BRSR were imparted to the entire Board.	100
Key Managerial Personnel	1	Training on the principles of BRSR were imparted to the Key Managerial Personnel.	100
Employees other than BOD and KMPs	12	i Health and Safety ii Fire Safety, Active Supervision iii Human Rights iv Product Quality v Total Quality Management	100
Workers	08	i Health and Safety ii Fire Safety, Active Supervision iii Human Rights iv Product Quality v Total Quality Management	100

#### 2. Details of fines/penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies / judicial institutions, in the financial year, in the following format:

MONETARY					
Particulars	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Nil	Nil	Nil	Nil	Nil
Settlement	Nil	Nil	Nil	Nil	Nil
Compounding fee	Nil	Nil	Nil	Nil	Nil

NON-MONETARY					
Particulars	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil

**3. Of the instances disclosed in Question 2 above, details of the Appeal / Revision preferred in cases where monetary or non-monetary action has been appealed:**

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Nil	There were no Appeals / revisions during the reporting year

**4. Anti-corruption or Anti-bribery policy:**

Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.	Yes, Avanti has an anti-corruption and anti-bribery policy. Responsible Business conduct plays a vital role in Avanti's aspiration to make ethical and responsible decisions in the interest of all stakeholders which is accessible via the internal platform specifically provided for internal usage.
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**5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery / corruption**

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

**6. Details of complaints with regard to conflict of interest:**

	FY 2023-24 (Current Financial Year)		FY 2022-23 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	None	0	None
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	None	0	None

**7. Corrective Actions:**

Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest	This section is not applicable to Avanti as there were no fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.
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a. Number of days of account payable (Accounts payable \*365) / Cost of goods/ services procured) in the following format:

	FY 2023-2024 (Current Financial Year)	FY 2022-2023 (Previous Financial Year)
Number of days of accounts Payables	14.71	15.72

8. Open-ness of Business

Provide details of Concentration of purchase and sales with trading houses, dealers, and related parties along -with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2023-2024 (Current Financial Year)	FY 2022-2023 (Previous Financial Year)
<b>Concentration of purchases</b>	a. Purchases from trading houses as % of total purchases	100	100
	b. Number of Trading houses where purchases are made from	1268	1524
	c. Purchases from top 10 Trading houses as % of total purchases from trading houses	49.40	42.96
<b>Concentration of Sales</b>	a. Sale to dealers / distributed as % of total sales	100	100
	b. Number of dealers / distributions to whom sales are made	682	804
	c. Sales upto 10 dealers / distributors as % of total sales to dealers / distributors	32.19	29.56
<b>Share of RPTs in</b>	a. Purchases (Purchases with related parties / Total Purchases)	0.08%	0.90%
	b. Sales (Sales to related parties / Total Sales)	0.08%	0.05%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	Nil	Nil
	d. Investments (Investments in related parties / Total Investments made)	20.29%	12.73%

**PRINCIPLE 2:**

**businesses should provide goods and services in a manner that is sustainable and safe**



**A) ESSENTIAL INDICATORS:**

- Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively:**

	2023-24 Current Financial Year (%)	2022-23 Previous Financial Year (%)	Details of Improvements In Environmental And Social Impacts
<b>R&amp;D</b>	--	--	--
<b>Capex</b>	0.25	0.2	Spent on Bio Filter and Solar Installation.

- Sustainable sourcing:**

Does the entity have procedures in place for sustainable sourcing? (Yes/No)	<p>Avanti maintains a strong and mutually beneficial relationship with its suppliers, vendors, and other service providers, considering them integral to its growth strategy. To ensure a fair selection process, Avanti has implemented a mechanism that ranks and selects suppliers based on parameters such as Quality, Price, and Delivery. These parameters also emphasize the importance of socially responsible and ethical procurement practices.</p> <p><b>Here is a brief overview:</b></p> <p>For the procurement of raw materials used in shrimp feed production, such as Fish Meal and Soya, the Company sources both domestically and from internationally recognized certified suppliers, including International Krill Meal, Fish meal and Fish Oil Organization (IFFO RS), Marine Stewardship Council (MSC), Fishery Improvement Project (FIP), Round Table on Responsible Soy Association (RTRS), and ProTerra.</p> <p>These suppliers adhere to rigorous standards, ensuring that the fish meal is free from antibiotics, pesticides, and pollutants, while the procured Soya is non-GMO and free from toxins, pesticides, and herbicides.</p> <p>Furthermore, Avanti is committed in integrating social, ethical, and environmental considerations into its operational and strategic decisions throughout the entire supply chain.</p>
If yes, what percentage of inputs were sourced sustainably?	33

**3. Processes in place to reclaim products for reuse, recycle and safe disposal of products at the end of life:**

<p>Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.</p>	<p>We are committed to promoting sustainable and responsible business practices in all aspects of our operations. As part of this commitment, we place a strong emphasis on the safe disposal of packaging material for our natural products.</p> <p>The end product is not to reuse, recycle or dispose as it is a consumable, however, to ensure the safe disposal of our packaging material, we work closely with designated waste recyclers who collect and dispose of our waste in an environmentally friendly manner.</p> <p>In addition to our efforts around packaging waste, we also work to minimize production waste by reusing materials wherever possible.</p> <p>We believe that sustainable production practices are critical to our long-term success, and we will continue to explore new ways to minimize waste and promote sustainable business practices in all areas of our operations.</p>
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**4. Extended Producer Responsibility (EPR) plan:**

<p>Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.</p>	<p>Yes, Extended Producer Responsibility (EPR) is applicable to the entity's activities. The waste collection plan is in line with the EPR plan submitted to Pollution Control Board.</p>
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**PRINCIPLE 3:**

**Businesses should respect and promote the well-being of all employees, including those in their value chains**



**A) ESSENTIAL INDICATORS:**

**1. a) Details of measures for the well-being of employees:**

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent employees</b>											
Male	713	713	100	713	100	0	0	0	0	0	0
Female	30	30	100	30	100	30	100	0	0	0	0
Total	743	743	100	743	100	30	4	0	0	0	0
<b>Other than Permanent employees</b>											
Male	12	12	100	12	100	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	12	12	100	12	100	0	0	0	0	0	0

**b) Details of measures for the well-being of workers:**

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent workers</b>											
Male	565	565	100	565	100	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	565	565	100	565	100	0	0	0	0	0	0
<b>Other than Permanent workers</b>											
Male	222	222	100	222	100	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	222	222	100	222	100	0	0	0	0	0	0

**c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –**

	Current Financial Year	Previous Financial Year
Cost incurred on well-being measures as a % of total revenue of the company.	0.21	0.20

**2. Details of retirement benefits, for Current FY and Previous Financial Year:**

Benefits	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Yes	100	100	Yes
Gratuity	100	100	Yes	100	100	Yes
ESI	8.17	35.10	Yes	17	23	Yes
Others – Mediclaim	40.20	16.54	NA	44	16	NA

**3. Accessibility of workplaces:**

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.	Yes, our manufacturing plants are fully accessible to all employees, including those with disabilities. Ensuring equal access and opportunities for all our team members is a fundamental aspect of our company's commitment to diversity and inclusion. We have implemented various measures to guarantee accessibility throughout our facilities, wide doorways, accessible rest rooms, and wide parking spaces.
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**4.. Equal Opportunity Policy:**

Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.	<p>Aligned with our commitment to Human Rights principles, we affirm our stance as an equal opportunity employer. Our company's policy underscores the values of mutual respect and inclusivity, fostering a workplace environment that staunchly opposes all forms of discrimination and harassment. These include, but are not limited to, factors such as race, colour, religion, disability, gender, sexual orientation, age, or any other legally protected status.</p> <p>To reinforce these principles, our policy document is readily accessible on the company's intranet platform, exclusively designated for internal reference and usage. We are dedicated to upholding these standards and ensuring that every member of our team feels valued, respected, and empowered to thrive.</p>
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**5. Return to work and Retention rates of permanent employees and workers that took parental leave:**

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	-	-	-	-
Female	100	100	100	100
Total	100	100	100	100

**6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief:**

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	<p>The company has established a Standard Operating Procedure (SOP) to address any concerns that may arise. This SOP serves as a comprehensive guide for employees to follow when raising complaints or grievances. Initially, employees are encouraged to bring their concerns to their reporting manager. However, if the issue remains unresolved, they are welcome to escalate it to the HR department via e-mail or written communication.</p> <p>We take every grievance seriously and are committed to resolving them fairly and in a timely manner. Additionally, we prioritize maintaining the utmost confidentiality throughout the grievance resolution process, ensuring the privacy and dignity of all parties involved. Our goal is to foster an environment where employees feel comfortable expressing their concerns and confident that they will be addressed appropriately. We encourage open communication and constructive dialogue as we work together to uphold our company's values and principles.</p>
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

**7. Membership of employees and worker in association(s) or Unions recognised by the entity:**

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	743	Nil	NA	744	Nil	NA
Male	713	Nil	NA	713	Nil	NA
Female	30	Nil	NA	31	Nil	NA
Total Permanent Workers	565	Nil	NA	613	Nil	NA
Male	565	Nil	NA	613	Nil	NA
Female	0	Nil	NA	0	Nil	NA

**8. Details of training given to employees and workers:**

Category	FY 2023-24 (Current Financial Year)					FY 2022-23 (Previous Financial Year)				
	Total (A)	On Health and safety		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
<b>Employees</b>										
Male	725	650	90	692	95	713	630	89	700	98
Female	30	30	100	30	100	31	31	100	31	31
Total	755	680	90	722	96%	744	661	89	731	98
<b>Workers</b>										
Male	787	702	89	687	87	613	523	85	474	77
Female	0	0	0	0	0	0	0	0	0	0
Total	787	702	89	687	87	613	523	85	474	77

**9. Details of performance and career development reviews of employees and worker:**

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
<b>Employees</b>						
Male	725	725	100	713	713	100
Female	30	30	100	31	31	100
Total	755	755	100	744	744	100
<b>Workers</b>						
Male	787	787	100	613	613	100
Female	0	0	0	0	0	0
Total	787	787	100	613	613	100

**10. Health and safety management system:**

S. No.	Particulars	Response
a)	Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?	<p>Indeed, the company has established an occupational health and safety management system to ensure the well-being of its employees. In addition to offering regular safety sessions for our workforce, we also provide training in Hazard Analysis Critical Control Point (HACCP).</p> <p>At our organization, the health and safety of our employees are paramount. We are committed to promoting their overall well-being by organizing a variety of programs and discussions with well-being experts and medical professionals. These initiatives aim to enhance awareness, provide valuable insights, and empower our employees to prioritize their health and safety both at work and in their personal lives.</p> <p>Through ongoing education and engagement, we strive to cultivate a culture of safety, health, and wellness within our workplace, fostering a conducive environment where every individual can thrive.</p>

S. No.	Particulars	Response
b)	<p>What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?</p>	<p>As a conscientious organization, we recognize the critical importance of identifying and addressing work-related hazards and risks. In alignment with this commitment, our company conducts routine safety drills to assess the effectiveness of our safety protocols and identify any potential hazards that may arise during work-related activities.</p> <p>Moreover, we actively engage with our field staff to gather feedback and evaluate any risks they have encountered or envisaged. This feedback is carefully analysed to identify potential risks and formulate strategies to mitigate them effectively.</p> <p>Additionally, we conduct quarterly risk assessments to proactively identify and address any potential risks facing our company. This process involves identifying potential safety hazards and implementing appropriate safety measures and protocols to mitigate or eliminate them.</p>
c)	<p>Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)</p>	<p>Yes, the Company has dedicated process for workers to report the work-related hazards and to remove themselves from such risks.</p> <p>At our Company, we believe that the best way to ensure a safe working environment is by encouraging feedback from our workers. One of the measures we have put in place is to actively encourage reporting of near misses, unsafe acts, and unsafe conditions. This dual benefit approach not only increases Health &amp; Safety engagement but also helps to reduce risks through prompt rectification of the issues raised.</p> <p>To facilitate this reporting process, each facility has a safety representative meeting on a quarterly basis, where safety representatives from the workforce can provide formal feedback on all safety matters. This provides a structured platform for workers to voice their concerns, make suggestions and receive feedback from management.</p>
d)	<p>Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)</p>	<p>Each site has pursued diverse certifications and adheres to the Group's policy concerning employee safety and well-being. Upholding these standards underscores our commitment to ensuring a secure and supportive environment for all our employees.</p> <p>Furthermore, we continuously evaluate and update our safety protocols to align with evolving industry standards and best practices. Our dedication to employee safety extends beyond mere compliance; it reflects our unwavering commitment to fostering a culture of care and accountability across all locations. Through ongoing training, communication, and collaboration, we strive to empower every individual within our organization to prioritize their well-being and contribute to a safer workplace environment.</p>

**11. Details of safety related incidents, in the following format:**

Safety Incident/Number	Category	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work- related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work- related injury or ill-health (excluding fatalities) Including in the contract workforce	Employees	0	0
	Workers	0	0

**12. Measures to ensure a safe and healthy workplace:**

Describe the measures taken by the entity to ensure a safe and healthy workplace.
<p>The Company has voluntarily undergone a health and safety audit conducted by a third party as part of its ongoing commitment to providing a safe and healthy workplace. Emphasizing the significance of maintaining such an environment, we prioritize the well-being of all our employees.</p> <p>Our comprehensive health and safety policies and procedures are meticulously implemented to ensure a safe and healthy workplace for everyone. We firmly believe that a secure and healthy work environment is crucial for enhancing employee well-being and productivity. To uphold these standards, our workplace undergoes regular evaluations and assessments to ensure compliance with the highest safety and health standards.</p> <p>In addition to our proactive measures, we offer continuous training and support to our employees and workers, equipping them with the knowledge and skills to work safely and maintain their health on the job. Moreover, we have established a robust reporting and investigation process to swiftly address any incidents or concerns that may arise, further reinforcing our commitment to maintaining a safe and healthy workplace environment for all.</p>

**13. Number of Complaints on the following made by employees and workers:**

	FY (2023-24) Current Financial Year			FY (2022-23) Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	Nil	Nil	Nil	Nil
Health & Safety	Nil	Nil	Nil	Nil	Nil	Nil

**14. Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100
Working Conditions	100

**15. Corrective Actions:**

<p>Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health &amp; safety practices and working conditions.</p>	<p>This section is not applicable to the Company. The Company has been following standard operating procedures to comply with state/local level regulations and ensure safety and hygiene protocols.</p>
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**PRINCIPLE 4:**

**Businesses should respect the interests of and be responsive to all its stakeholders**



**A) ESSENTIAL INDICATORS:**

**1. Identification of stakeholders group:**

<p>Describe the processes for identifying key stakeholder groups of the entity</p>	<p>Avanti has developed a Stakeholder Engagement Framework for identification of Stakeholders. In line with this framework, the stakeholder identification process at Avanti considers the following scope in identifying the stakeholders:</p> <p><b>Dependency</b> – groups or individuals who are directly or indirectly dependent on the organisation’s activities, products or services and associated performance, or on whom the organisation is dependent in order to operate.</p> <p><b>Responsibility</b> – groups or individuals to whom the organisation has, or in the future may have, legal, commercial, operational or ethical/moral responsibilities.</p> <p><b>Attention</b> – groups or individuals who need immediate attention from the organisation about financial, wider economic, social or environmental issues.</p> <p><b>Influence</b> – groups or individuals who can have an impact on the organisations or a stakeholder’s strategic or operational decision-making.</p> <p><b>Diverse perspectives</b> – groups or individuals whose different views can lead to a new understanding of the situation and the identification of opportunities for action that may not otherwise occur.</p>
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**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (E-mail, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	<ul style="list-style-type: none"> <li>• Annual General Meeting</li> <li>• Shareholder meets</li> <li>• E-mail</li> <li>• Stock Exchange (SE) intimations</li> <li>• Investor/analysts meet/ conference calls</li> <li>• Annual report, quarterly results, media releases and</li> <li>• Company’s website</li> </ul>	Quarterly, Half yearly and annually	Share price appreciation, dividends, profitability and financial stability, robust ESG practices, risks, growth prospects.



Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (E-mail, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Government/ Regulatory authorities	No	<ul style="list-style-type: none"> <li>• Reporting / Filings.</li> <li>• Submissions / Applications.</li> <li>• Industry forum meets.</li> <li>• Representations in person</li> <li>• Attending Workshops conducted by the authorities.</li> </ul>	On periodical basis as provided under relevant legislations	In relation to Compliances with applicable laws, Industry concerns, changes in regulatory frameworks, skill and capacity building, employment.
Dealers	No	<ul style="list-style-type: none"> <li>• E-mails.</li> <li>• Regular Meets</li> <li>• Personal Visits / Interviews</li> <li>• Satisfaction Surveys</li> </ul>	Regular	Product quality and availability, responsiveness to needs, after sales service, responsible guidelines / manufacturing, Safety awareness.
Suppliers	No	E-mails, supplier meetings.	Regular	Production plans, Invoices, Bill payments, Long term relationship.
Employees/ Workers	No	<ul style="list-style-type: none"> <li>• E-mails</li> <li>• Team Engagement</li> <li>• Website</li> <li>• Engagement through Health Programs</li> <li>• Notice Board.</li> </ul>	Periodically	<ul style="list-style-type: none"> <li>• Empowered and engaged workforce drives to achieving business targets and serve as a key for successful business</li> <li>• Satisfied and motivated talent have higher productivity</li> <li>• Right Talent gives a competitive advantage.</li> <li>• Career management and growth prospects.</li> <li>• Work culture, health and safety matters.</li> </ul>

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (E-mail, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Bankers	No	<ul style="list-style-type: none"> <li>• Periodical Meetings</li> <li>• Periodical Reports</li> <li>• E-mails</li> </ul>	Requirement basis.	<ul style="list-style-type: none"> <li>• Understand the banking compliance</li> <li>• Maintaining rapport with our bankers</li> <li>• Banking / Credit facilities.</li> </ul>
Communities	No	<ul style="list-style-type: none"> <li>• Meets of community / local authorities/ location heads.</li> <li>• Community visits and projects, partnership with local charities.</li> <li>• Volunteerism, seminars/ conferences, CSR Partner's meet directly or through Avanti foundation.</li> </ul>	Periodically	Integrated water management, clean water, Natural Resource Management, community development, livelihood support, disaster relief, support of the UN SDGs, Education, Skill development, Farmer Safety etc.
Farmers	Yes	<ul style="list-style-type: none"> <li>• Periodical Meets</li> <li>• Personal Visits</li> <li>• Satisfaction Surveys</li> </ul>	Periodically	Product quality and availability, responsiveness to needs, after sales service.
Board of Directors	No	<ul style="list-style-type: none"> <li>• E-mails</li> <li>• Regular meetings</li> </ul>	Quarterly and on any event/ need basis.	Company's business operations, planning, strategies etc.
Industry & Trade Associations	No	<ul style="list-style-type: none"> <li>• E-mails</li> <li>• Regular meetings</li> <li>• Periodical Reports</li> </ul>	Periodically	Deliberations on policies,
Professionals/ Consultants	No	<ul style="list-style-type: none"> <li>• E-mails</li> <li>• Need based meetings.</li> <li>• Periodical Reports.</li> </ul>	Quarterly and need basis.	Compliance to legal requirements, advice on business, legal, tax and environment etc related issues.

**PRINCIPLE 5:  
Businesses should Respect and Promote Human Rights**



**A) ESSENTIAL INDICATORS:**

**1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
<b>Employees</b>						
Permanent	743	698	94	736	625	85
Other than permanent	12	12	100	8	7	88
<b>Total Employees</b>	<b>755</b>	<b>710</b>	<b>94</b>	<b>744</b>	<b>632</b>	<b>85</b>
<b>Workers</b>						
Permanent	565	488	86	463	385	83
Other than permanent	222	187	84	150	112	75
<b>Total Workers</b>	<b>787</b>	<b>675</b>	<b>86</b>	<b>613</b>	<b>497</b>	<b>81</b>

**2. Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2023-24 (Current Financial Year)					FY 2022-23 (Previous Financial Year)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
<b>Employees</b>										
Permanent	743	0	0	740	100	736	0	0	736	100
Male	713	0	0	713	100	705	0	0	705	100
Female	30	0	0	30	100	31	0	0	31	100
Other than Permanent	12	0	0	12	100	8	0	0	8	100
Male	12	0	0	12	100	8	0	0	8	100
Female	0	0	0	0	0	0	0	0	0	0
<b>Workers</b>										
Permanent	565	0	0	565	100	463	0	0	463	0
Male	565	0	0	565	100	463	0	0	463	0
Female	0	0	0	0	0	0	0	0	0	0
Other than Permanent	222	211	95	11	5	150	100	67	50	33
Male	222	211	95	11	5	150	100	67	50	33
Female	0	0	0	0	0	0	0	0	0	0

**3. Details of remuneration/salary/wages, in the following format:**

Category	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	7	18 Lakhs	1	20.48 Lakhs
Key Managerial Personnel	3	1923.58 Lakhs	-	-
Employees other than BoD and KMP	713	4.74 Lakhs	30	3.90 Lakhs
Workers	565	3.24 Lakhs	-	-

**b. Gross wages paid to Female as % of total wages paid by the entity, in the following format**

	Current Financial Year	Previous Financial Year
Gross wages paid to females as % of total wages	3.73	3.82

**4. Focal point for addressing human rights:**

**Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Avanti is deeply committed to upholding human rights, placing paramount importance on this fundamental principle. To ensure the safeguarding of these rights within our operations, we have designated a dedicated individual - the HR Manager at our plant. Entrusted with the responsibility of receiving and addressing any issues related to human rights, this individual not only possesses the necessary expertise but also harbours a profound passion for ensuring that our business practices consistently align with our unwavering commitment to human rights.

Moreover, our commitment extends beyond mere rhetoric; we actively engage in frequent assessments and maintain an open dialogue with stakeholders. Through collaborative efforts with relevant organizations and stakeholders, we diligently identify and confront any potential adverse impacts on human rights. Our aim is not only to rectify any shortcomings but also to champion exemplary practices throughout our organization, thereby setting a standard for ethical conduct in our industry.

**5. Internal mechanisms in place to redress grievances related to human rights issues:**

**Describe the internal mechanisms in place to redress grievances related to human rights issues.**

Avanti has instituted a range of internal mechanisms aimed at effectively addressing grievances related to human rights issues. Foremost among these is the establishment of a confidential and easily accessible complaint system, allowing individuals to report any concerns they may have regarding human rights violations. These reports are meticulously investigated by a designated focal point, working in collaboration with the HR & Admin Manager, to ensure thorough scrutiny. Subsequently, appropriate remedial measures are swiftly implemented to address the issues raised, reaffirming our commitment to upholding human rights within our operations.

Furthermore, Avanti prioritizes transparency and open communication with all stakeholders, including local communities, civil society organizations, and relevant government agencies. Through these transparent channels, we actively solicit feedback and engage in constructive dialogue, ensuring that any grievances brought forward are promptly acknowledged and addressed in a timely and efficient manner. By fostering an environment of trust and accountability, we endeavour to uphold the principles of human rights and social responsibility across all facets of our organization.

**6. Number of Complaints on the following made by employees and workers:**

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	-	-	-	-	-	-
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced Labour/ Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

**7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

	Current Financial Year	Previous Financial Year
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH).	-	-
Complaints on POSH as a % of female employees / workers	-	-
Complaints on POSH upheld	-	-

**8. Mechanism to prevent adverse consequences to the complainant in discrimination and harassment cases.**

Avanti stands resolute in its commitment to fostering a workplace environment free from harassment, with a particular emphasis on combating sexual harassment. We adamantly uphold a zero-tolerance policy towards any form of such misconduct, deeming it entirely intolerable. We actively promote a culture of transparency and support, encouraging the prompt reporting of any incidents of harassment or instances of unwelcome or offensive behaviour.

In our pursuit of maintaining a safe and respectful workplace, Avanti has implemented dedicated committees across multiple locations tasked with handling cases of sexual harassment. These committees play a crucial role in thoroughly investigating complaints and recommending appropriate actions to address the situation effectively. Moreover, we regularly conduct awareness and training sessions to ensure that all employees are well-versed in understanding the complexities of sexual harassment and are fully aware of the available avenues for seeking assistance and redressal. Through these proactive measures, we aim to uphold our commitment to providing a work environment where every individual feels valued, respected, and protected.

**9. Human rights requirements forming part of your business agreements and contracts: (Yes/No).**

Yes, In the process of on boarding suppliers, dealers, and vendors, Avanti diligently integrates human rights requirements. This entails a stringent adherence to pertinent laws, labour standards, environmental regulations, as well as upholding principles of human rights, ethics, and integrity in their operations. These stipulations serve as a cornerstone of the on boarding process, emphasizing the importance of aligning with Avanti's steadfast commitment to human rights and responsible business practices.

By incorporating these requirements into our on boarding procedures, we ensure that our business partners share our values and demonstrate a genuine commitment to ethical conduct. This not only fosters trust and transparency within our supply chain but also reinforces our collective efforts towards promoting social responsibility and sustainable practices across our operations. Through collaboration and mutual adherence to these standards, we strive to create a more equitable and just global business ecosystem.

**10. Assessments for the year**

Category	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100
Forced/involuntary labour	100
Sexual harassment	100
Discrimination at workplace	100
Wages	100
Others – please specify	100
Right to clean air and Water	
Right to Privacy	
Slavery	

**11. Corrective Actions to address significant risks / concerns arising from the assessments:**

Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

There were no significant risk/concern that arose on its self-assessment and from the diligence of customers.

**PRINCIPLE 6:**
**Businesses Should Respect and Make Efforts to Protect and Restore the Environment**

**ESSENTIAL INDICATORS:**

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>From renewable sources</b>		
Total electricity consumption (A)	3,913.61	280.40
Total fuel consumption (B)	1,69,620.51	1,46,530.65
Energy consumption through other sources (C)	-	-
<b>Total energy consumption (A+B+C)</b>	<b>1,73,534.12</b>	<b>1,46,811.05</b>
<b>From non-renewable sources</b>		
Total electricity consumption (D)	1,85,242.85	1,72,542.68
Total fuel consumption (E)	71,906.15	90,584.92
Energy consumption through other sources (F)	2,825.20	2,599.61
Total energy consumed from non-renewable sources (D+E+F)	2,59,974.20	2,65,727.21
<b>Total energy consumed (A+B+C+D+E+F)</b>	<b>4,33,508.32</b>	<b>4,12,538.26</b>
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	0.0000101	0.0000102
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.00000045	0.00000046
Energy intensity in terms of physical output	0.80	0.82
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2024 and 2023 by IMF for India which is 22.401 & 22.167 respectively.

The total production quantity of feed is considered for calculating intensity in terms of physical outputs.

**Note:** Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, an evaluation was conducted by Avanti In-house and J Sundharesan & Associates provided limited Assurance on the specified parameter.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not applicable, as the entity has not been identified as designated consumers under Performance, Achieve and Trade (PAT) Scheme of the Government of India.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-2024	FY 2022-2023
Water withdrawal by source (in kilolitres)		
i. Surface water	-	-
ii. Groundwater	1,28,678	1,21,178
iii. Third party water	-	-
iv. Seawater / desalinated water	1,07,250	80,000
v. Others	-	-
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>2,35,928</b>	<b>2,01,178</b>
Total volume of water consumption (in kilolitres)	2,35,928	2,01,178
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	0.0000054	0.0000049
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.00000024	0.00000022
Water intensity in terms of physical output	0.43	0.40
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2024 and 2023 by IMF for India which is 22.401 & 22.167 respectively.

The total production quantity of feed is considered for calculating intensity in terms of physical outputs.

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes an evaluation was conducted by Avanti In-house and J Sundharesan & associates provided limited assurance on the specified parameter.



**4. Provide the following details related to water discharged:**

Parameter	FY 2023-2024	FY 2022-2023
Water discharge by destination and level of treatment (in kilolitres)		
i. To Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
i. To Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	19,840 (ETP Treatment)	19,200 (ETP Treatment)
iii. To Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	1,07,250 (ETP Treatment)	80,000 (ETP Treatment)
iv Sent to third parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
v. Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	1,27,090	99,200

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes an evaluation was conducted by Avanti In-house and J Sundharesan & associates provided limited assurance on the specified parameter.

**5. Mechanism for Zero Liquid Discharge:**

<p>Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.</p>	<p>Avanti has successfully implemented a comprehensive zero liquid discharge program, which has the objective of completely eliminating liquid waste from our operations. This program encompasses all aspects of our business activities and is specifically designed to minimize the discharge of pollutants into the environment.</p> <p>To achieve this, significant investments have been made in advanced treatment and discharge systems. The water processed through our effluent treatment plant(s) is efficiently treated and subsequently utilized for in-house plantation purposes.</p> <p>Furthermore, Avanti maintains an ongoing commitment to continuous improvement, constantly exploring innovative approaches to enhance our processes and further reduce our environmental footprint.</p>
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**6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2023-2024	FY 2022-2023
NOx	MT	230.79	305.05
Sox	MT	260.51	377.30
Particulate matter (PM)	MT	341.42	400.65
Persistent organic pollutants (POP)	Nil	-	-
Volatile organic compounds (VOC)	Nil	-	-
Hazardous air pollutants (HAP)	Nil	-	-
Others – please specify	Nil	-	-

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, SV Enviro Labs and consultants has provided independent external assessment on the specified parameter.

**7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2023-2024	FY 2022-2023
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	36,461.10	36,681.34
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	31,269.96	29,126.10
Total Scope 1 and Scope 2 emissions intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO <sub>2</sub> equivalent	0.0000015	0.0000016
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)		0.000000070	0.000000073
Total Scope 1 and Scope 2 emission intensity in terms of physical output		0.12	0.13
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2024 and 2023 by IMF for India which is 22.401 & 22.167 respectively.

The total production quantity of feed is considered for calculating intensity in terms of physical outputs.

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes an evaluation was conducted by Avanti In-house and J. Sundharesan & associates provided limited assurance on the specified parameter.

## 8. Project related to reducing Green House Gas emission:

Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.	In a dedicated effort to embrace sustainability and lessen reliance on non-renewable energy sources, our company has implemented several eco-conscious initiatives. Among these initiatives, rooftop solar panels have been installed to harness clean, renewable energy directly from the sun. This strategic investment not only reduces our carbon footprint but also contributes to long-term cost savings and energy independence. Additionally, we have implemented rainwater harvesting systems across our facilities to conserve water resources and alleviate strain on municipal water supplies. These combined efforts underscore our unwavering commitment to reduce Green House Gas.
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## 9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-2024	FY 2022-2023
Total Waste generated (in metric tonnes)		
Plastic waste (A)	2374.90	2213.31
E-waste (B)	0.17	0.29
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	0	0
Battery waste (E)	0	2.31
Radioactive waste (F)	0	0
Other Hazardous waste (G)	1.54	0
Used Oil (H)	0.51	0.30
<b>Total (A+ B + C + D + E + F + G + H)</b>	<b>2377.12</b>	<b>2216.21</b>
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.000000054	0.000000054
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.000000024	0.000000024
Waste intensity in terms of physical output	0.0044	0.0044
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		

Parameter	FY 2023-2024	FY 2022-2023
Category of waste		
i. Recycled	2,374.90	2,213.31
ii. Re-used	-	-
iii. Other recovery operations	-	-
<b>Total</b>	<b>2,374.90</b>	<b>2,213.31</b>
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
i. Incineration	-	-
ii. Landfilling	-	-
iii. Other disposal operations	2.22	2.9
<b>Total</b>	<b>2.22</b>	<b>2.9</b>

The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2024 and 2023 by IMF for India which is 22.401 & 22.167 respectively.

The total production quantity of feed is considered for calculating intensity in terms of physical outputs.

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes an evaluation was conducted by Avanti In-house and J Sundharesan & associates provided limited assurance on the specified parameter.

#### 10. Waste management practices adopted in the establishment:

<p>Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.</p>	<p>We have implemented a range of waste management practices to minimize our waste and ensure that all of our waste is managed in an environmentally responsible manner.</p> <p>We have also established partnerships with authorised organizations and recycling facilities to ensure that all our waste is properly managed and recycled.</p> <p>Our goal is to minimize the amount of waste we generate and to ensure that all our waste is properly managed and disposed of in an environmentally responsible manner.</p> <p>We will continue to prioritize waste reduction and responsible waste management in all our operations.</p> <p>However, Avanti refrain from utilizing any form of toxic chemicals, both in the production process and on the plant premises.</p>
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- 11** If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Avanti does not have any offices or operational sites in the vicinity of any ecologically sensitive area.			

- 12** Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

S. No.	Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Environmental impact assessment is not applicable for Avanti during the reporting financial year.						

- 13** Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Yes, Avanti is fully compliant with all the applicable environmental laws/regulations/guidelines in India including but not limited to Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules.				

**PRINCIPLE 7:**

**Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**



**A) ESSENTIAL INDICATORS:**

**1 A) Affiliations with trade and industry chambers/ associations:**

Number of affiliations with trade and industry chambers/ associations.	7
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**B) List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to:**

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1.	Federation of Indian Chambers of Commerce and Industry	National
2.	The Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry	State
3.	The Andhra Pradesh Chambers of Commerce & Industry Federation	State
4.	Indian Wind Power Association	National
5.	Compound Livestock Feed Manufacturers Association of India	National
6.	Federation of Indian Export Organization.	National
7.	Soya bean Processors Association of India	National

**2) Provide details of corrective action taken or underway on any issues related to anti competitive conduct by the entity, based on adverse orders from regulatory authorities:**

Name of authority	Brief of the case	Corrective action taken
Avanti has not engaged in any anti-competitive conduct		

**PRINCIPLE 8:**
**Businesses Should Promote Inclusive Growth and Equitable Development**

**A) ESSENTIAL INDICATORS:**

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
Not Applicable						

3. Community redressal mechanism:

Describe the mechanisms to receive and redress grievances of the community.
Grievance Redressal Mechanism (GRM) is an important aspect of assuring our strong relation with the community as it provides us social license the to operate and execute the community initiative projects. As part of our grievance redressal mechanism, we have deployed our local employees who regularly visit the community and interact with people to gauge and address community concerns. Based on these interactions, we have not encountered any specific grievances from the community at present.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Category	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	<b>38</b>	31
Sourced directly from within India	-	-

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost.

Location	FY 2023-2024 (Current Year)	FY 2022-2023 (Previous Year)
Rural	41.37	42.66
Semi- Urban	32.46	33.35
Urban	-	-
Metropolitan	26.17	23.99

**PRINCIPLE 9:  
Businesses Should Engage with and Provide Value to their Consumers  
in a Responsible Manner**



**A) ESSENTIAL INDICATORS**

**1. Consumer Complaints and feedback:**

Describe the mechanisms in place to receive and respond to consumer complaints and feedback.
Avanti has a robust system in place to handle consumer feedback, offering various channels for consumers to connect with them, including e-mail, telephone, website, and feedback forms.
Furthermore, each of Avanti's businesses has dedicated technicians in the field to address customer queries and gather feedback on products, enabling continuous improvement of both products and services. Avanti actively collects consumer feedback after a thirty-day period from product dispatch, and regular follow-up calls are made, particularly in the Hatchery domain, to ensure a comprehensive understanding of consumer experiences.

**2. Turnover of products and/ services as a percentage of turnover from all products/ service that carry information about:**

Category	As a percentage to total turnover
Environmental and social parameters relevant to the product	100
Safe and responsible usage	100
Recycling and/or safe disposal	100

**3. Number of consumer complaints in respect of the following:**

Category	FY 2023-24 (Current Financial Year)		Remarks	FY 2022-23 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	None	0	0	None
Advertising	0	0	None	0	0	None
Cyber-security	0	0	None	0	0	None
Delivery of essential services	0	0	None	0	0	None
Restrictive Trade Practices	0	0	None	0	0	None
Unfair Trade Practices	0	0	None	0	0	None
Other	0	0	None	0	0	None



**4. Details of instances of product recalls on account of safety issues:**

Particulars	Number	Reasons for recall
Voluntary recalls	0	Nil
Forced recalls	0	Nil

**5. Cyber security policy:**

Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.
Yes, Avanti's exposure to cyber security is insignificant, however, a policy on cyber security is adopted by Avanti to ensure that the due process is followed avert any potential issues. Avanti has a dedicated information technology team which checks and tracks IT related issues on a daily basis which is accessible via the internal platform specifically provided for internal usage.

**6. Corrective Actions:**

Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services
Not Applicable

**7. Provide the following information relating to data breaches:**

Particulars	For the Current Financial Year (2023-2024)	For the Previous Year (2022-2023)
Number of instances of data breaches	0	0
Percentage of data breaches involving personally identifiable information of customers	0	0
Impact, if any, of the data breaches	Nil	Nil

# Corporate Governance Report

A Report on Corporate Governance of the Company pursuant to Regulation 34 read with schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations") for the Financial year 2023-24:

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

Your Company's philosophy on Corporate Governance is based on holistic approach not only towards its own growth but also towards maximization of benefits to the shareholders, employees, customers, Government and also the general public at large. Corporate Governance relies on the key principles of transparency and accountability to ensure responsible management practices that benefit stakeholders by creating and sharing value.

The Company has adopted a Code of Conduct for its Directors and Senior Management, the Code for prevention of Insider Trading which strengthens the Company's corporate governance philosophy and through the timely disclosure of various material events through the Exchanges as well as the Company's website, we ensure that the Company strictly adheres to the values of Corporate Governance.

Your Company not only fulfills the requirements laid out in Listing Regulations with regards to corporate governance but also embodies a strong commitment to implementing effective principles and practices while actively pursuing new, cutting-edge strategies in corporate governance.

## 2. Board of Directors

### a. Composition & category of Directors

Your Board consists of an optimum combination of Executive, Non- Executive Directors and Independent Directors, representing a judicious mix of in-depth knowledge and experience. The composition of the Board of your company is in conformity with SEBI Listing Regulations read with Companies Act, 2013 ("the Act").

As on 31<sup>st</sup> March, 2024, the Board comprised of eleven (11) members, four (4) of which are Independent Directors including One (1) Independent Woman Director, four (4) are Non-Executive Directors including a Nominee Director from APIDC and three (3) Executive Directors (CMD, JMD & ED).

### b. Board procedures and information flow

The Board meeting dates are decided in consultation with the Board members. The schedule of the Board meetings and Board Committee meetings are communicated in advance to the Directors to enable them to attend the meetings. The information, as required under Regulation 17(7) read with Schedule II Part A of the SEBI Listing Regulations, is made available to the Board.

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

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

Information is provided to the Board Members on a continuous basis from time to time. Our quarterly financial results and annual financial statements are first presented to the Audit Committee and subsequently to the Board for their approval. In addition, various matters such as review of business performance, appointment of Directors and Key Managerial Personnel, review of internal and statutory audits, details of investor grievances, risk management initiatives along with mitigation actions and legal/statutory matters are presented to the respective Committees of the Board and later with the recommendation of

Committees to the Board of Directors for their approval, as may be required.

In case of special and urgent business matters, the Board/Committee(s) approval is taken by passing a resolution by circulation, as permitted by law, which is noted and then confirmed in the next Board/Committee meeting.

**c. Details of Meetings of Board of Directors**

The meetings of the Board of Directors are held at the Corporate Office in Hyderabad. Video conferencing facilities are made available to conduct such meetings and most of the meetings of the Board and its Committees during the year were held through video conferencing. The necessary quorum was present for all the Board Meetings.

At the Board/Committee meetings, the Managing Director & Joint Managing Director and Senior Management, who are invited to those meetings, make presentations on various matters including the financial results, operations related issues, risk management, the economic and regulatory changes.

Eight (8) Meetings of Board of Directors were held during the Financial year 2023-24 i.e. on 24<sup>th</sup> May, 2023, 23<sup>rd</sup> June, 2023, 12<sup>th</sup> July, 2023, 10<sup>th</sup> August, 2023, 27<sup>th</sup> September, 2023, 7<sup>th</sup> November, 2023, 21<sup>st</sup> December, 2023 and 5<sup>th</sup> February, 2024. The time gap between two consecutive Board Meetings did not exceed by more than one hundred and twenty days (120 days).

Details of Meetings of the Board of Directors and Annual General Meeting held during the period under review, along with attendance of Directors at each meeting.

Name of the Director	Number of Board Meetings held	Number of meetings entitled to attend	Number of Board meetings attended	% of attendance	Attendance at the 30 <sup>th</sup> AGM
Dr. A. Indra Kumar	8	8	8	100	Yes
Sri J. V. Ramudu	8	8	8	100	Yes
Sri C Ramachandra Rao	8	8	8	100	Yes
Sri. A. Venkata Sanjeev	8	8	8	100	Yes
Sri N. Ram Prasad	8	8	8	100	Yes
Mr. Peerasak Boonmechote	8	8	8	100	Yes
Mr. Bunluesak Sorajjakit	8	8	8	100	Yes
Smt. K. Kiranmayee	8	8	8	100	Yes
Sri N. Narsi Reddy	8	8	8	100	Yes
Sri NVDS Raju	8	8	8	100	Yes
Sri G. Sudarshan Babu <sup>1</sup>	8	4	0	0	No
Sri V. Raghunath <sup>2</sup>	8	1	0	0	NA

<sup>1</sup> Resigned from the Board w.e.f 25<sup>th</sup> September, 2023

<sup>2</sup> Appointed on Board w.e.f 21<sup>st</sup> December, 2023

**d. Number of other Board of Directors or Committees in which Director is a member/ chairperson:**

The number of Directorships and Committee Chairmanships/Memberships held by the Directors in other companies as on 31<sup>st</sup> March, 2024 are given herein below. Other directorships do not include directorships in foreign companies. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of Listing All the necessary disclosures have been obtained from the Directors regarding their Directorship(s) including committee positions in other public companies and have been taken on record by the Board.

Sl. No.	Name of the Director & DIN	Designation & category	Number of Directorship (s) in Other Public Companies	Number of Committee Position(s) held in other Public Companies		Directorship in other Listed Entities (Category of Directorship)
				Chairman	Member	
1	Dr. A. Indra Kumar DIN: 00190168	Chairman & Managing Director – Promoter	5	-	1	Nava Ltd. (ID)
2	Sri C. Ramachandra Rao DIN: 00026010	Jt Managing Director, Company Secretary, Compliance Officer & CFO	3	-	1	-
3	Sri N. Ram Prasad DIN: 00145558	Non-Executive Non-Independent Director	1	-	-	-
4	Sri A. Venkata Sanjeev DIN: 07717691	Executive Director	1	-	-	-
5	Sri J. V. Ramudu DIN: 03055480	Non-Executive Independent Director & Chairman of the Board	2	0	4	1. IRM Holdings India Ltd. (ID) 2. Krishna Institute of Medical Sciences Ltd. (ID)
6	Mr. Bunluesak Sorajjakit DIN: 02822828	Non-Executive Non Independent Director	1	-	-	-
7	Mr. Peerasak Boonmechote DIN: 10047883	Non-Executive Non Independent Director	1	-	-	-
8	Smt. K. Kiranmayee DIN: 07117423	Non-Executive Woman Independent Director	-	-	-	-
9	Sri NVDS Raju DIN: 05183133	Non-Executive Independent Director	3	-	-	-
10	Sri V. Narsi Reddy DIN: 08685359	Non-Executive Independent Director	1	-	2	-
11	Sri G. Sudarsan Babu <sup>1</sup> DIN: 09402807	Nominee Director	-	-	-	-
12	Sri V. Raghunath <sup>2</sup> DIN: 10405110	Nominee Director	-	-	-	1. Andhra Petrochemicals Ltd. 2. Southern Magnesium and Chemicals Ltd.

None of the Directors on the Board:

- Hold directorships in more than ten public companies;
- Serve as Director or as Independent Directors (ID) in more than seven listed entities; and
- Who are the Executive Directors, serve as Independent Directors (ID) in more than three listed entities.

<sup>1</sup>Resigned from the Board w.e.f 25<sup>th</sup> September, 2023

<sup>2</sup>Appointed on Board w.e.f 21<sup>st</sup> December, 2023

**e. A matrix setting out the skills / expertise / competence of the Board of Directors:**

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

Sl. No.	Name of the Director	Skills / Expertise / Competence of the Directors
1	Dr. A. Indra Kumar	Technical, Administrative / HR & Aquaculture
2	Sri C. Ramachandra Rao	Financial, Administrative / HR & Legal
3	Sri N. Ram Prasad	Technical, Financial & Administrative / HR
4	Sri J. V. Ramudu	Financial, Administrative / HR & Legal
5	Sri A. Venkata Sanjeev	Technical & Administrative / HR
6	Mr. Bunluesak Sorajjakit	Technical, Administrative / HR & Aquaculture
7	Mr. Peerasak Boonmechote	Technical, Financial & Administrative / HR
8	Sri NVDS Raju	Financial, Administrative / HR & Legal
9	Smt. K. Kiranmayee	Administrative / HR
10	Sri V. Narsi Reddy	Financial, Administrative / HR & Legal
11	Sri V. Raghunath	Financial & Income Tax

**f. Independent Directors**

Independent Directors are appointed/re-appointed based on the recommendation of the Nomination & Remuneration Committee (NRC) and approval of the Board. As required under the Listing Regulations, for every appointment of Independent Director, the NRC considers, inter alia, experience, qualifications, skills, expertise and competencies, whilst recommending to the Board the candidature for appointment of Independent Director.

In case of appointment of Independent Directors, the Nomination and Remuneration Committee satisfies itself about the independence of the Directors vis-à-vis the Company to enable the Board to function independently of the management and discharges its functions and duties effectively. In case of reappointment of Independent Directors, the Board also takes into consideration, the performance evaluation and engagement level of the Independent Directors.

All the Independent Directors have confirmed that they meet the criteria as mentioned under SEBI Listing Regulations and Section 149 of the Act. The maximum tenure of Independent Directors is in accordance with the Act and other applicable Regulations. Based on the declarations received from the Independent Directors, the Board is of the opinion that, all the Independent Directors fulfill the conditions specified in the Act, Listing Regulations and are independent of the Management.

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

**g. Familiarization Programme**

As part of the Familiarization Programme, Directors are updated on regular basis about the Company, the nature of industry in which the Company operates, the business model, their roles, rights and responsibilities in the Company, etc. In pursuit of this, the Company provides the Independent Directors an insight into the Company, its products, business and updates them through various programme on changes/developments in the corporate and industry scenario including those pertaining to statutes/legislation and on matters affecting the Company, to enable them to take well informed decision and discharge their duties and responsibilities in an efficient manner and to contribute significantly towards the growth of the Company.

Business strategy, operations, market share, financial parameters, regulatory and business scenario of the industry, changes in business model and other details relating to the operations of the Company are informed to the Directors during the Board and Committee Meetings. A presentation is also given during the Board Meeting highlighting the performance of the Company every quarter. Such Programmes provide an opportunity to the Directors to interact with the senior management team of the Company and understand the business of the Company in detail.

Further each member of the Board, including the Independent Directors, are given complete access to any information relating to the Company, whenever they request and are informed of the important developments of the Company and the Industry through e-mails and telephonic conversations at times.

The details of the familiarization programme programs imparted to the Independent Directors is also available on the website of the Company at [https://avantifeeds.com/board-of-directors/#Familization- Programme](https://avantifeeds.com/board-of-directors/#Familization-Programme)

#### h. Reason for resignation of the Independent Directors

None of the Directors have resigned during the financial year 2023-2024.

### 3 Changes in Directors

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

### 4 Committees of the Board

As on 31<sup>st</sup> March, 2024, the Company had five (5) Committees of the Board, namely, Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee.

#### I. Audit Committee

##### a. Composition, meetings & Attendance details

The Audit Committee comprises of (three) 3 Independent Directors. All members of the Audit Committee are financially literate and bring in expertise in their respective fields. The permanent invitees include Managing Director, Chief Financial Officer, and representatives of Independent Auditors, internal auditors and such other executives of the Company.

During the Financial year 2023-24, the Audit Committee met seven (7) times on (i) 24<sup>th</sup> May, 2023, (ii) 22<sup>nd</sup> June, 2023, (iii) 12<sup>th</sup> July, 2023, (iv) 10<sup>th</sup> August, 2023 (v) 27<sup>th</sup> September, 2023, (vi) 7<sup>th</sup> November, 2023, and (vii) 2<sup>nd</sup> February, 2024 and the time gap between two consecutive Audit Committee meetings did not exceed by more than one hundred and twenty days (120 days). The necessary quorum was present for all the meetings. The Chairman of the Audit Committee attended the Annual General Meeting for the Financial year 2022-23 held on 11<sup>th</sup> August, 2023 to answer shareholders' queries wherever necessary.

The composition of the Audit Committee and attendance details of the members for the Financial year 2023-24 are given below:

Sl. No.	Name	Category	Designation	No. of Meetings Held	No. of Meetings Attended
1	Sri NVDS Raju	Independent Director	Chairperson	7	7
2	Sri J. V. Ramudu	Independent Director	Member	7	7
3	Sri V. Narsi Reddy	Independent Director	Member	7	7

The Company Secretary of the Company acted as Secretary to the Committee.

##### b. Brief description of terms of reference

The terms of reference of Audit committee are in line with the applicable provisions

of the Listing Regulations and the Act. In addition to the matters provided in the Listing Regulations and Section 177 of the Act, the Audit Committee reviews quarterly reports Issued by Internal Auditors, interacts with Independent Auditors as and when required and discuss their findings, suggestions, observations and other related matters, (if any). The constitution of the Audit Committee also meets with the requirements of Section 177 of the Act and the Listing Regulations.

## II. Nomination & Remuneration Committee

### a. Composition, meetings & Attendance details

The Nomination and Remuneration Committee ('NRC') comprises of four (4) Directors, majority of them are Independent Directors. The Chairperson of the NRC is an Independent Director. During the Financial year 2023-24, the Nomination and Remuneration Committee met three (3) times i.e., on 29<sup>th</sup> April, 2023, 27<sup>th</sup> September, 2023 and 21<sup>st</sup> December, 2023 and the necessary quorum was present for all the meetings.

The composition of the Nomination and Remuneration Committee and attendance details of the Members for the Financial year 2023-24 are given below:

Sl. No.	Name	Category	Designation	No. of Meetings held	No. of Meetings attended
1	Sri NVDS Raju	Independent Director	Chairperson	3	3
2	Sri J. V. Ramudu	Independent Director	Member	3	3
3	Dr. A. Indra Kumar	Chairman & Managing Director	Member	3	3
4	Sri V. Narsi Reddy	Independent Director	Member	3	3

The Company Secretary of the Company acted as Secretary to the Committee.

### b. Brief Description of terms of reference

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

## 5. Evaluation

### a. Nomination & Remuneration Committee

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

### b. Separate Meeting of Independent Directors

A separate Meeting of all the Independent Directors without the attendance of Non-Independent Directors or members of the management was held on 6<sup>th</sup> April, 2024. The Independent Directors (a) reviewed the performance of the Non-Independent Directors and the Board, (b) reviewed the performance of the Chairperson of the Company and (c) assessed the quality, quantity and timeliness of flow of information between the Company management and the Board. The evaluation was made on the basis of a structured questionnaire taking into account all the indicative criteria as prescribed by SEBI in its Guidance Note. The criteria inter alia include Qualification, experience, knowledge & competency, ability to function as a team, availability and attendance etc. The Independent Directors evaluated the performance of non- Independent Directors Chairman and the Board.

The Independent Directors expressed satisfaction with the overall performance of the Directors and the Board as a whole. Inputs and suggestions as received from the Directors were considered at the Board meeting and have been effectively implemented from time to time as may be required.

### c. Evaluation by Board

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

## III Stakeholders Relationship Committee

### a. Composition & Attendance details

The Stakeholders Relationship Committee ('SRC') comprises of three (3) directors including two (2) Independent Directors, The Chairman of the Stakeholders Relationship Committee was present at the 30<sup>th</sup> Annual General Meeting of the Company. During the period under review, the Committee met four (4) times i.e., on 15<sup>th</sup> April, 2023, 17<sup>th</sup> July, 2023, 19<sup>th</sup> October, 2023 and 2<sup>nd</sup> February, 2024 and the necessary quorum was present for all the meetings.

The composition of the SRC and details of meetings attended by the Members during the Financial Year 2023-24 are as follows:

Sl. No.	Name	Category	Designation	No. of Meetings Held	No. of Meetings Attended
1	Sri N. Ram Prasad	Non-Executive Director	Chairperson	4	4
2	Smt. K. Kiranmayee	Independent Woman Director	Member	4	4
3	Sri NVDS Raju	Independent Director	Member	4	4

The Company Secretary of the Company acted as Secretary to the Committee.



**b Brief description of terms of reference**

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

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

**c Details of shareholders' requests / complaints received and redressed during the Financial Year 2023-24 are as follows:**

Opening as on 1 <sup>st</sup> April, 2023	Received during the year	Resolved during the year	Closing as on 31 <sup>st</sup> March, 2024
0	117	117	0

**d Name, designation, and address of the Compliance Officer**

**Sri C. Ramachandra Rao**

Joint Managing Director, Company Secretary, Compliance officer & CFO

**Avanti Feeds Limited**

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

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

Telephone: 040-23310260/61 | e-mail: [investors@avantifeeds.com](mailto:investors@avantifeeds.com)

**IV. Risk Management Committee**

**a Composition, meetings & Attendance details**

The Risk Management Committee comprises of five (5) directors including two (2) Independent Directors. During the Financial year 2023-24, the Risk Management Committee met four (4) times on 7<sup>th</sup> April, 2023, 17<sup>th</sup> July, 2023, 19<sup>th</sup> October, 2023 and 1<sup>st</sup> March, 2024 and the necessary quorum was present for all the meetings.

The composition of the Risk Management Committee and the details of meetings attended by the Members during the Financial year 2023-24, are as follows:

Sl. No.	Name	Category	Designation	No. of Meetings held	No. of Meetings Attended
1	Dr. A. Indra Kumar	Chairman & Managing Director	Chairman	4	4
2	Sri NVDS Raju	Independent Director	Member	4	4
3	Smt. K. Kiranmayee	Independent Woman Director	Member	4	4
4	Sri A. Venkata Sanjeev	Executive Director	Member	4	4
5	Sri C. Ramachandra Rao	Jt. Managing Director, Company Secretary & CFO	Member	4	3

The Company Secretary of the Company acted as Secretary to the Committee.

### Terms of Reference

- i. To identify and assess all the risks that the organization faces and establish a risk management framework capable of addressing / mitigating those risks.
- ii. To oversee in conjunction with the Board risks such as strategic, financial, market, Foreign exchange, security, IT, legal, regulatory, reputational and other risks.
- iii. To monitor and review the risk management plan of the Company including cyber security, from time to time as may be required.

## V. Corporate Social Responsibility Committee

### a. Composition & Attendance details

The Corporate Social Responsibility Committee ('CSR') comprises of four (4) directors including one Independent Director. During the Financial year 2023-24, the Corporate Social Responsibility Committee met four (4) times i.e., on 29<sup>th</sup> April, 2023, 17<sup>th</sup> July, 2023, 19<sup>th</sup> October, 2023, and 4<sup>th</sup> March, 2024 and the necessary quorum was present for all the meetings.

- b. The composition of the CSR Committee and details of meetings attended by the Members during the Financial year 2023-24 are as follows:

Sl. No.	Name	Category	Designation	No. of Meetings Held	No. of Meetings Attended
1	Dr. A. Indra Kumar	Chairman & Managing Director	Chairperson	4	3
2	Sri N. Ram Prasad	Independent Director	Member	4	4
3	Smt K. Kiranmayee	Independent Director	Member	4	4
4	Sri C. Ramachandra Rao	Jt. Managing Director, Company Secretary & CFO	Member	4	4

The Company Secretary of the Company acted as Secretary to the Committee.

### c. Brief description of terms of reference

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

### d. CSR Policy

The Company's CSR Policy is disseminated at the website of the Company at <https://avantifeeds.com/policies/>.

## 5 Particulars of Senior Management

S. No	Name of Senior Management personnel	Category
1	Dr. A. Indra Kumar	Chairman & Managing Director
2	Sri C. Ramachandra Rao	Joint Managing Director, Company Secretary & CFO
3	Sri A. Venkata Sanjeev	Executive Director

## 6 Remuneration of Directors

### i. Nomination and Remuneration Policy & Criteria for making payment to Non-Executive Directors

The Nomination and Remuneration policy of the Company is performance driven and is structured to motivate employees, recognize their merits and achievements and promote excellence in their performance. The remuneration paid to Non-Executive Directors consists of sitting fees, reimbursement of out-of-pocket expenses incurred for attending the and commission.

The Nomination & Remuneration Policy can be accessed on Company's website at <https://avantifeeds.com/v2/wp-content/uploads/2023/08/Nomination-and-Remuneration-Policy.pdf>

Details of remuneration and commission paid / payable to the Non-Executive Directors and their shareholding for the Financial Year 2023-24 are given below:

Sl. No.	Name of Director	Shareholding	Sitting Fees (₹ in Lakhs)	Commission (₹ in Lakhs)
1	Sri J. V. Ramudu	-	7.60	25.00
2	Sri N. Ram Prasad	2,29,701 (On behalf of HUF)	6.40	10.00
3	Sri NVDS Raju	-	10.80	15.00
4	Mr. Bunluesak Sorajjakit	-	3.20	10.00*
5	Mr. Peerasak Boonmechote	-	3.20	10.00*
6	Smt. K. Kiranmayee	5,550	8.40	10.00
7	Sri V. Narsi Reddy	-	7.60	10.00
8	Sri G. Sudarsan Babu <sup>1</sup>	-	-	-
9	Sri V. Raghunath <sup>2</sup>	-	0.40 <sup>#</sup>	10.00*
<b>Total</b>		<b>2,35,251</b>	<b>47.60</b>	<b>100.00</b>

<sup>1</sup> Withdrew nomination w.e.f. 25<sup>th</sup> September, 2023.

<sup>2</sup> Appointed w.e.f. 21<sup>st</sup> December, 2023.

\*Commission payable to Thai Union Group PCL and APIDC, as directors are representatives from their respective Companies.

<sup>#</sup>Sitting fee payable to Nominee Director of APIDC is payable directly to APIDC.

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

### ii Remuneration details of Executive Directors

The remuneration paid/payable to the Executive Directors of the Company for the Financial Year ended 2023-24 is as under:

(₹ in Lakhs)

Details	Dr. A. Indra Kumar Chairman & Managing Director	Sri C. Ramachandra Rao Jt. Managing Director, CS & CFO	Sri A. Venkata Sanjeev Executive Director
Salary	473.07	252.84	137.75
Ex-gratia	55.01	29.40	16.02
Superannuation	--	--	10.43
Perks	6.33	--	1.11
Commission on Profits	2465.01	1643.34	410.83
<b>Total</b>	<b>2999.42</b>	<b>1925.58</b>	<b>576.14</b>

**iii Service Contracts, Severance Fees and Notice Period**

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

**iv Stock option details**

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

**7. General Body Meetings**

**a Annual General Meeting ('AGM')**

Details of AGMs held during the last 3 years along with the details of the Special Resolutions passed by the members are as under:

No. of AGM / Financial Year	Day, Date, Time and Location	Special Resolution(s) passed
30 <sup>th</sup> AGM 2022-23	Friday, 11 <sup>th</sup> August, 2023 at 11:00 A.M (IST) through Video conferencing (VC) / other Audio Visual Means (OAVM)	To consider and approve the re-appointment of Sri J. V. Ramudu as an Independent Director for a further period of Five (5) years.
29 <sup>th</sup> AGM 2021-22	Friday, 12 <sup>th</sup> August, 2022 at 11:00 A.M (IST) through Video conferencing (VC) / other Audio Visual Means (OAVM)	1. Revision in Managerial Remuneration of Sri A. Indra Kumar, Chairman & Managing Director of the Company. 2. Revision in Managerial Remuneration of Sri A. Venkata Sanjeev, Whole-time Director of the Company.
28 <sup>th</sup> AGM 2020-21	Saturday, 14 <sup>th</sup> August, 2021 at 11:00 A.M (IST) through Video conferencing (VC) / other Audio Visual Means (OAVM)	1. Amendment to Articles of Association of the Company. 2. Re-appointment of Sri A. Indra Kumar, CMD for a period of five (5) years.

**b Extraordinary General Meeting ('EGM')**

No. of EGM / Financial Year	Day, Date, Time and Location	Special Resolution(s) passed
EGM 2023-24	Saturday, 29 <sup>th</sup> April, 2023 at 11:00 A.M (IST) through video conferencing (VC) / other audio visual means (OAVM)	1 Appointment of Mr. Gurrala Sudarsan Babu (DIN: 09402807) as a Non-Executive, Nominee Director of the Company. 2 Appointment of Mr. Peerasak Boonmechote (DIN: 10047883) as a Non-Executive Director of the Company.

**c Postal Ballot**

During the year, there was no special resolution passed through postal ballot. However, the Company sought the approval of the shareholders by way of postal ballot, through notice dated 21<sup>st</sup> December, 2023, on the following ordinary resolution:

S. No	Description of Resolution
1.	Appointment of Mr. Raghunath Vemali (DIN: 10405110) as a Non- Executive, Nominee Director of the Company.

The Board of Directors of the Company at its meeting held on 21<sup>st</sup> December, 2023, have appointed Mr. V. Bhaskara Rao (Membership No.: FCS 5939, CP No: 4182), Proprietor, V. Bhaskara Rao & Co., Company Secretaries, as the Scrutinizer for conducting the Postal Ballot voting process through electronic means in a fair and transparent manner.

The voting period for remote e-voting commenced on Thursday, 18<sup>th</sup> January, 2024 at 9.00 A.M (IST) and ended on Friday, 16<sup>th</sup> February, 2024 at 5.00 P.M. (IST). The consolidated report on the result of the postal ballot through remote e-voting for approving aforementioned resolutions was provided by the Scrutinizer on Saturday, 17<sup>th</sup> February, 2024.

#### d. Procedure for Postal Ballot

In compliance with Sections 108, 110 and other applicable provisions of the Act, read with rules issued thereunder, MCA general circulars and Regulation 44 of the Listing Regulations, the Company provided the facility to the Members to exercise their votes electronically and vote on the resolutions through the e-voting service facility arranged by KFin as per the instructions provided in the Postal Ballot notice.

The notices containing the proposed resolution and explanatory statement are sent to all those Members whose e-mail addresses are registered with the Company/depositories as on Cut-off date. Your Company also publishes a notice in the newspapers declaring the details of completion of dispatch and other requirements under the act and rules framed thereunder.

Resolution passed through postal ballot	Total no of shares held	No. of votes polled	% of votes polled on outstanding shares	No. of votes – in favour	No. of votes – against	% of votes in favour on votes polled	% of votes against on votes polled
Appointment of Mr. Raghunath Vemali (DIN: 10405110) as a Non- Executive, Nominee Director of the Company.	13,62,45,630	11,23,14,904	82.43	10,33,46,204	89,68,700	92.01	7.98

## 8. Means of Communication

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

## 9. General Shareholder Information

Corporate Identification Number	L16001AP1993PLC095778
AGM	31 <sup>st</sup> AGM
Financial Year	1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024
Day & Date	Tuesday, 6 <sup>th</sup> August, 2024
Time	11:00 A.M (IST)
Venue	Video Conference (VC) / Other Audio-Visual Means (OAVM)
Dates of Book closure	Wednesday, 31 <sup>st</sup> July, 2024 to Tuesday, 6 <sup>th</sup> August, 2024 (Both days inclusive)
Registered office	Flat No. 103, Ground Floor, "R" Square Pandurangapuram Vishakhapatnam- 530003, Andhra Pradesh, India
Address for correspondence / Registrar and Share Transfer Agent	KFin Technologies Limited (Unit: Avanti Feeds Limited) Selenium Building Tower B, Plot No. 31-32 Financial District Nanakramguda, Serilingampally Hyderabad – 500032 Telangana State, India. Tel: 1800 309 4001 e-mail address: <a href="mailto:inward.ris@kfintech.com">inward.ris@kfintech.com</a> Website: <a href="https://www.kfintech.com">https://www.kfintech.com</a> or <a href="https://ris.kfintech.com/">https://ris.kfintech.com/</a>
Whether the securities are suspended from trading during the year 2023-24	The equity shares of the Company were not suspended at any point of time during the Financial year and also till the date of the Report.
Dividend payment date	On approval of the members, the Dividend will be paid within the time lines prescribed under the Act.
Financial Calendar for the year 2024-25 (tentative schedule)	First Quarter Results – By 14 <sup>th</sup> August, 2024. Second Quarter / Half Year Results – By 14 <sup>th</sup> November, 2024 Third Quarter / Nine Months Results – By 14 <sup>th</sup> February, 2025 Fourth Quarter / Year end Results – By 30 <sup>th</sup> May, 2025.
Name and address of Stock Exchange(s) at which the equity shares are listed and confirmation about payment of annual listing fee to each of such Stock Exchanges	BSE Limited, 1st Floor, New Trading Ring, Rotunda Building, Dalal Street, Mumbai – 400001, Maharashtra State, India. BSE Code: 512573 National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex Bandra (East), Mumbai – 400051 Maharashtra State, India. NSE Symbol: AVANTIFEED The Company has duly paid the annual listing fee.
ISIN	INE871C01038

## 10. Credit Rating

During the FY 2023-24, India Ratings & Research Private Limited (the 'India Ratings'), Affirmed the Credit rating to the as under:

Sl. No.	Details	Rating Affirmed
1	Avanti Feeds Ltd – Long Term Issuer Rating	IND AA(-) Stable
2	Fund Based Working Capital Limits ₹ 50 Crores including non-fund based ₹ 20 Crores	IND AA(-) Stable
3	Non-Fund Based Working Capital Limits ₹ 42.79 Crores	IND A1+

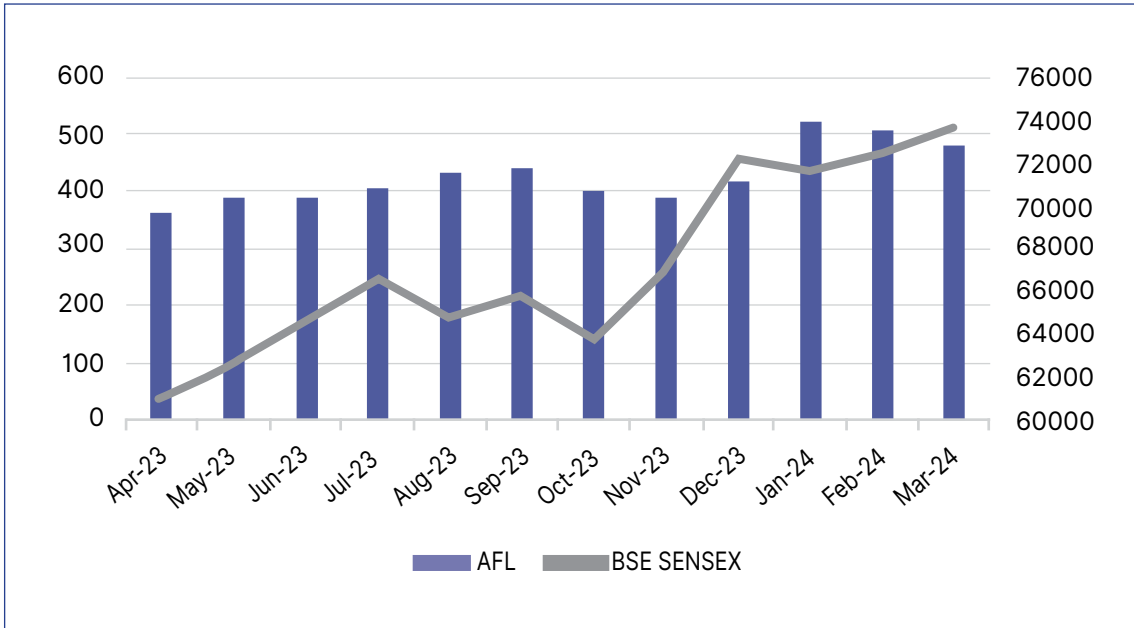
## 11. Market Price Data

The monthly high and low prices of your Company's share at BSE and NSE for the year ended 31<sup>st</sup> March, 2024 are as under:

Month	BSE		BSE Sensex	Market Price Closing (₹)	NSE		NIFTY50	Market Price Closing (₹)
	High	Low			High	Low		
Apr-23	374.00	342.00	61,112.44	361.85	374.70	341.60	18065.00	361.75
May-23	396.30	360.15	62,622.24	390.80	396.50	360.55	18534.40	390.65
Jun-23	400.00	377.50	64,718.56	391.90	400.00	377.45	19189.05	392.05
Jul-23	422.40	388.50	66,527.67	408.15	422.80	386.00	19753.80	407.85
Aug-23	437.95	396.50	64,831.41	433.95	438.00	395.00	19253.80	434.20
Sep-23	487.85	422.40	65,828.41	441.50	487.95	422.80	19638.30	441.30
Oct-23	450.80	385.70	63,874.93	403.70	451.00	385.90	19079.60	403.50
Nov-23	418.00	384.30	66,988.44	391.95	419.00	387.30	20133.15	391.85
Dec-23	424.60	390.55	72,240.26	419.60	425.00	386.55	21731.40	420.05
Jan-24	598.60	421.70	71,752.11	521.15	598.50	421.30	21725.70	521.50
Feb-24	574.95	487.30	72,500.30	507.45	575.00	365.75	21982.80	506.65
Mar-24	575.50	472.00	73,651.35	484.40	575.95	472.00	22326.90	484.25

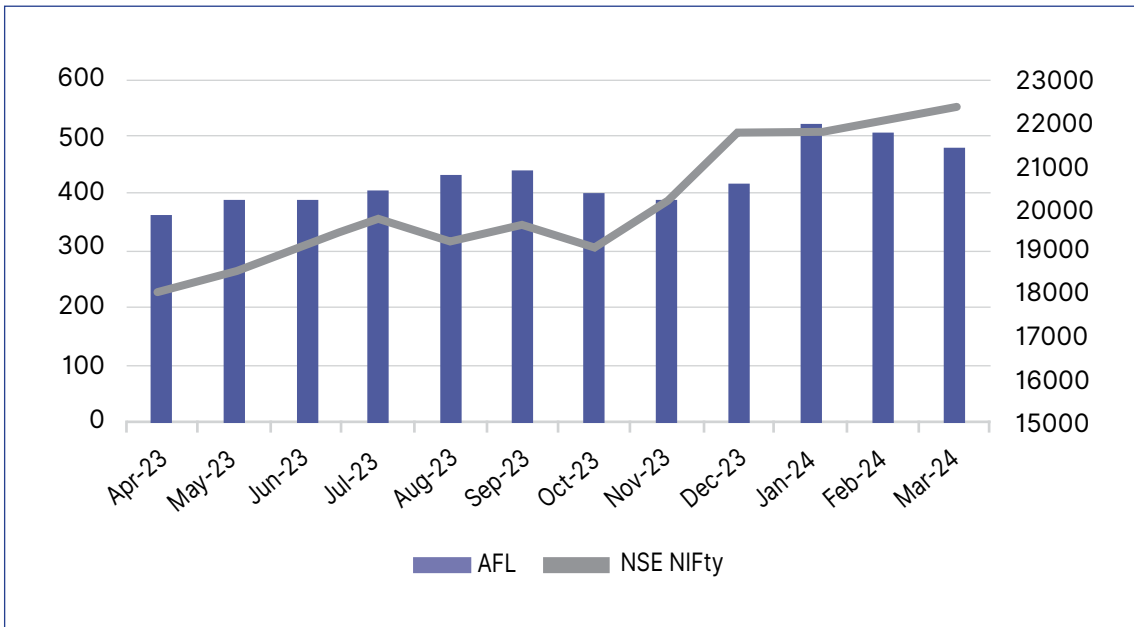
### Price Movement Graph (BSE)

1<sup>st</sup> April, 2023 to 31<sup>st</sup> March, 2024 (Equity share of ₹1/- each)



### Price Movement Graph (NSE)

1<sup>st</sup> April, 2023 to 31<sup>st</sup> March, 2024 (Equity share of ₹1/- each)



sources: BSE & NSE Websites



## 12. Share Transfer System

Pursuant to Regulation 40(1) of Listing Regulations with effect from 1<sup>st</sup> April, 2019, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with a Depository hence shares shall be transferred only through demat. However, investors are not barred from holding shares in physical form.

Pursuant to SEBI Circular dated 25<sup>th</sup> January, 2022, the listed companies shall issue the securities in dematerialized form only, for processing any service requests from shareholders viz., issue of duplicate share certificates, endorsement, transmission, transposition, etc. After processing the service request, a letter of confirmation will be issued to the shareholders and shall be valid for a period of 120 days, within which the shareholder shall make a request to the Depository Participant for dematerializing those shares. If the shareholders fail to submit the dematerialisation request within 120 days, then the Company shall credit those shares in the Suspense Escrow Demat account held by the Company. Shareholders can claim these shares transferred to Suspense Escrow Demat account on submission of necessary documentation.

All transfers requests are electronically processed and approved by the Share Allotment and Transfer Committee which normally meets once in a fortnight or more depending upon the volume of transfers. The summary of transfers, transmissions etc., are placed before every Board Meeting and Stakeholders Relationship Committee Meeting. The Company obtains, from Sri V. Bhaskara Rao, Practicing Company Secretary, Hyderabad, yearly Certificate of Compliance with share transfer formalities as required under Regulation 40(9) & (10) of the Listing Regulations, and filed a copy of the said Certificate with BSE Ltd and National Stock Exchange of India Ltd.

## 13. Scores

SEBI Complaint Redressal System (SCORES) is a centralised web based complaint redressal facilitation platform launched in 2011 vide circular dated 3<sup>rd</sup> June, 2011 (bearing reference number CIR/OIAE/2/2011) to provide a facilitative platform for the benefit of the aggrieved investors, whose grievances against the listed entity remain unresolved.

All the requests and complaints under SCORES are passed directly to KFin Technologies Limited, Registrars and Transfer Agents of the Company. For any clarification, complaint/shareholders may contact:

Name : Mr. Rajeev Kumar  
 Designation : Manager, KFin Technologies Limited  
 e-mail ID : [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)  
 Tele. No. : 1800-309-4001

## 14. Distribution Schedule of shareholders

The details of Distribution Schedule of equity shares as on 31<sup>st</sup> March, 2024 are as under:

Sl. No.	Category (Shares)	No. of Cases	% of Cases	No. of shares	% of Amount
1	1 – 500	1,07,475	95.01	62,92,421	4.62
2	501 - 1000	2,589	2.29	19,57,471	1.44
3	1001 - 2000	1,594	1.41	23,28,675	1.71
4	2001 - 3000	548	0.48	14,63,143	1.07
5	3001 - 4000	168	0.15	5,94,517	0.44
6	4001 - 5000	185	0.16	8,53,302	0.63
7	5001 - 10000	245	0.22	17,52,316	1.29
8	10001 - 20000	135	0.12	18,57,426	1.36
9	20001 and above	181	0.16	11,91,46,359	87.45
	<b>Total</b>	<b>1,13,120</b>	<b>100.00</b>	<b>13,62,45,630</b>	<b>100.00</b>

## 15. Dematerialization of Shares and Liquidity

The details of dematerialization of shares as on 31<sup>st</sup> March, 2024 is as under:

Sl. No.	Description	Equity Shares	% to Equity
1	NSDL	12,60,99,914	92.55
2	CDSL	91,78,080	6.74
3	Physical	9,67,636	0.71
	<b>Total</b>	<b>13,62,45,630</b>	<b>100.00</b>

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

## 16. Outstanding GDRs or ADRs or warrants or convertible instruments

There were no Outstanding Global Depository Receipts or American Depository Receipts or Warrants or any convertible instruments during the Financial year 2023-24.

## 18. Commodity Price Risk

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

## 19. Plant Locations

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

<b>Shrimp Feed Plant – I</b> No.15-11-24, Kovvur-534350, East Godavari District, Andhra Pradesh, India.	<b>Shrimp Feed Plant – II</b> Vemuluru, Kovvur-534350 West Godavari District, Andhra Pradesh, India.
<b>Shrimp Feed Plant – III</b> No.15-11-24, Kovvur-534350 East Godavari District Andhra Pradesh, India.	<b>Shrimp Feed Plant - IV</b> Survey No. 1789 & 1802, Pardi-Nashik Road Balda Village, Pardi Taluk, Valsad District Gujarat-396125, India.

<b>Shrimp Feed Plant – V</b> Survey No. 65/1, 65/2, 69, 70/1, 70/2 Deverapalli Mandal, Bandapuram Village West Godavari District, Andhra Pradesh, India.	<b>Shrimp Feed Plant – VI</b> Survey No. 155/5A, 155/5B, 155/4B, 155/6, 156 561/1, 70/3, Deverapalli Mandal, Bandapuram Village, West Godavari District Andhra Pradesh, India.
<b>Shrimp Hatchery</b> R. SY. No. 209 & 208/2, Gudiwada Village S. Rayavaram Mandal Visakhapatnam District-531083 Andhra Pradesh, India.	<b>Wheat Flour Plant</b> No.15-11-24, Kovvur-534350 East Godavari District Andhra Pradesh, India.
<b>Wind Mill</b> Lakkihalli Village, Hiriyur Taluk, Chitradurga District, Karnataka State, India.	

## 20. Transfer of unclaimed/unpaid amount to the Investor Education and Provident Fund (IEPF)

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividend, if not claimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to IEPF.

Further, all the shares in respect of which dividend has remained unclaimed for seven consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

In the interest of the shareholders, the Company sends periodical reminders to the shareholders to claim their dividends in order to avoid transfer of dividends/shares to IEPF Authority. Notices in this regard are also published in the newspapers and the details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority, are uploaded on the Company's website at <https://avantifeeds.com/corporate-announcement/#Unclaimed-Dividend>

The details of unclaimed dividends and shares transferred to IEPF during FY 2024 are as follows:

Sl. No.	Year	Date of Declaration	Dividend per Share (₹)	Face Value of Equity share (₹)	Due Date for Transfer	Amount of Unpaid Dividend as on 31.03.2024 (in ₹)
1	2016-17	12.08.2017	9.00	2.00	15.09.2024	30,30,831
2	2017-18	07.08.2018	6.00	1.00	10.09.2025	48,65,340
3	2018-19	09.08.2019	4.00	1.00	12.09.2026	20,62,192
4	2019-20*	24.02.2020	5.00	1.00	30.03.2027	26,91,610
5	2019-20	29.08.2020	0.10	1.00	02.10.2028	1,15,381
6	2020-21	14.08.2021	6.25	1.00	17.09.2028	15,92,853

Sl. No.	Year	Date of Declaration	Dividend per Share (₹)	Face Value of Equity share (₹)	Due Date for Transfer	Amount of Unpaid Dividend as on 31.03.2024 (in ₹)
7	2021-22	12.08.2022	6.25	1.00	15.09.2029	17,96,300
8	2022-23	11.08.2023	6.25	1.00	14.09.2030	12,98,728

\*Interim Dividend.

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

## 21. Transfer of Shares to IEPF

As per Section 124(6) of the Act, all shares in respect of which dividend has not been paid or claimed for seven (7) consecutive years or more shall be transferred by the Company to Investor Education and Protection Fund (IEPF) of the Central Government. During the year under review, 39,000 equity shares of ₹ 1/- each were transferred to IEPF which pertains to unclaimed dividend for Financial year 2015-16.

## 22. Other Disclosures

Sl. No.	Details	Remarks
1	Disclosure on materially significant Related Party Transactions.	The Related Party Transactions Policy as approved by the Board is uploaded on the Company's website at <a href="https://avantifeeds.com/policies/">https://avantifeeds.com/policies/</a> .
2	Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by Stock Exchange(s) or the Board or any Statutory Authority on any matter related to Capital markets during last 3 years.	No penalties or strictures have been imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last 3 years.
3	Details of establishment of Vigil Mechanism, Whistle Blower Policy and affirmation.	The Company established a mechanism for employees to report concerns about unethical behavior, actual or suspected fraud or violation of code of conduct or ethics policy and code of conduct to regulate, monitor and report trading by Insiders. The mechanism also provides for adequate safeguards against victimization of employees who avail the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. The Company affirms that no personnel has been denied access to the Audit Committee. The details of the whistle blower policy is disseminated on the website of the Company at <a href="https://avantifeeds.com/policies/">https://avantifeeds.com/policies/</a> .

Sl. No.	Details	Remarks
4	Inter Relationships between Directors and Key Managerial personnel of the Company.	Sri N. Ram Prasad, Director is the spouse of Dr. A. Indra Kumar's (Chairman & Managing Director) Sister. Sri A. Venkata Sanjeev, Executive Director is the son of Dr. A. Indra Kumar, Chairman & Managing Director. None of the Other Directors related to anyone of the Board of Directors except the above.
5	Compliance of SEBI (LODR) Regulations, 2015.	<p><b>Mandatory Requirements:</b> It is confirmed that the Company has complied with the requirements under Regulation 17 to 27 and Reg. 46(2) (b) to (i) of the SEBI (LODR) Reg., 2015.</p> <p><b>Non-Mandatory Requirements:</b> The Company has adopted the following non- mandatory (i.e. Discretionary) Requirements of Part-E of Schedule-II of SEBI (LODR) Reg., 2015: Audit Qualifications: The Company is in the regime of unqualified financial statements.</p> <p><b>Reporting of Internal Auditor:</b> The Internal Auditor directly reports to the Audit Committee.</p>
6	Web-link where details of familiarization programme imparted to Independent Directors is disclosed.	<a href="https://avantifeeds.com/board-of-directors/">https://avantifeeds.com/board-of-directors/</a> .
7	Web-link where policy determining the material subsidiaries is disclosed.	<a href="https://avantifeeds.com/policies/">https://avantifeeds.com/policies/</a> .
8	Web-link where policy on dealing with Related Party Transactions is disclosed.	<a href="https://avantifeeds.com/policies/">https://avantifeeds.com/policies/</a> .
9	Disclosure of commodity price risks and commodity hedging activities.	Not Applicable
10	Web link where the dividend distribution policy of the Company is disseminated.	<a href="https://avantifeeds.com/policies/">https://avantifeeds.com/policies/</a> .
11	Disclosure of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Reg. 32(7A).	Not Applicable

Sl. No.	Details	Remarks						
12	Where the Board had not accepted any recommendation of any Committee of the Board is mandatorily required, in the relevant financial year, details and the reasons for such non-acceptance.	The Board has accepted the recommendations of all the Committees which requires approval of the Board during the Financial year 2023-24.						
13	Total fee for all services paid by the listed entity and its subsidiaries to the Statutory Auditor.	M/s Tukaram & Co., LLP, Chartered Accountants, are the Independent Auditors for Avanti Feeds Limited. The remuneration paid to Tukaram & Co LLP for the company is as under:  Audit Fee ₹ 35.40 Lakhs P.A. and ₹ 7.08 Lakhs (Limited Review Report including applicable taxes) and ₹ 8.98 Lakhs for out of pocket expenses.						
14	Disclosures in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013.	<table border="1"> <tr> <td>No. of complaints filed during the Financial Year 2023-24:</td> <td>-</td> </tr> <tr> <td>No. of complaints disposed of during the Financial year 2023-24:</td> <td>-</td> </tr> <tr> <td>No. of complaints pending as on 31<sup>st</sup> March, 2024</td> <td>-</td> </tr> </table>	No. of complaints filed during the Financial Year 2023-24:	-	No. of complaints disposed of during the Financial year 2023-24:	-	No. of complaints pending as on 31 <sup>st</sup> March, 2024	-
No. of complaints filed during the Financial Year 2023-24:	-							
No. of complaints disposed of during the Financial year 2023-24:	-							
No. of complaints pending as on 31 <sup>st</sup> March, 2024	-							
15	Certificate from a Company Secretary in practice that none of Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Board / Ministry of Corporate Affairs or any such statutory authority.	Sri V. Bhaskara Rao, Practicing Company Secretary Hyderabad has issued a Certificate confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by SEBI, Ministry of Corporate Affairs or any such statutory authority.						
16	Disclosure by AFL and AFFPL in connection with Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount.	-						

## **23. Disclosure with respect of demat suspense account / unclaimed suspense accounts**

- (a) aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year; Nil
- (b) number of shareholders who approached listed entity for transfer of shares from suspense account during the year; Nil
- (c) number of shareholders to whom shares were transferred from suspense account during the year; Nil
- (d) aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year; Nil
- (e) that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares. Nil

## **24. Disclosure of certain types of agreements binding listed entities**

There are no agreement impacting management or control of the Company or imposing any restriction or create any liability upon the Company.

## **25. Code for Prohibition of Insider Trading**

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

## **26. Disclosure of Accounting Treatment**

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

## **27. Management Discussion and Analysis Report**

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

## **28. Business Responsibility and Sustainability Report**

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

## **29. Orderly Succession for appointments to the Board and to Senior Management**

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

## **30. Compliance Certificate from the Independent Auditors**

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

## **31. Subsidiary Companies**

All subsidiary companies are managed by their Boards having the rights and obligations to manage such Companies in the best interest of their stakeholders.

Pursuant to Regulation 24(4) of Listing Regulations, the following Companies shall be considered as material subsidiaries as per the Audited financial statements of financial year 2023-24:

S. No	Name of Material Subsidiary Company	Date of Incorporation	Place of Incorporation	Name of Statutory Auditor	Date of appointment of Statutory Auditor
1	Avanti Frozen Food Private Limited	17 <sup>th</sup> April, 2015	Vishakhapatnam	M/s. Karvy & Co., Chartered Accountants	28 <sup>th</sup> August, 2020

The Company has a Policy for determining material subsidiaries which is available on the website of the Company at <https://avantifeeds.com/v2/wp-content/uploads/2021/03/AFL-Policy-on-Material-Subsidiaries.pdf>

#### **Declaration on Code of Conduct**

This is to confirm that the Board has laid down a Code of Conduct for all Board members and senior management personnel of the Company which has been disseminated on the web site of the Company at <https://avantifeeds.com/code-of-conduct/>. It is further confirmed that all Directors and Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the Financial year 2023-24, as envisaged in Reg. 26 (3), 34(3) and Schedule V of SEBI Listing Regulations as amended from time to time.

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

**A. Indra Kumar**  
Chairman & Managing Director  
DIN: 00190168

Place : Hyderabad  
Date : 22<sup>nd</sup> May, 2024



# Compliance Certificate Managing Director and Chief Financial Officer Certification

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

We have reviewed the financial statements and the cash flow statements for the year and that to the best of our knowledge and belief:

these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of Company's code of conduct.

We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

We have indicated to the auditors and the Audit Committee:

Significant changes in internal controls over financial reporting during the year.

Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements and That there have been no instances of significant fraud of which we have become aware, involving the management or an employee having a significant role in the Company's internal control system over financial reporting.

**A. Indra Kumar**  
Chairman & Managing Director  
DIN: 00190168

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

Place : Hyderabad  
Date : 22<sup>nd</sup> May, 2024

# INDEPENDENT AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

## To The Members of AVANTI FEEDS LIMITED

1. We, M/s. TUKARAM & CO LLP., Chartered Accountants, the Statutory Auditors of Avanti Feeds Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31<sup>st</sup> March, 2024, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

### Managements' Responsibility

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

### Auditors' Responsibility

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

### Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and Para C and D of Schedule V of the SEBI Listing Regulations during the year ended 31<sup>st</sup> March, 2024.
8. We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For TUKARAM & CO. LLP.,**  
Chartered Accountants  
ICAI Firm Registration No: 004436S/S200135

**(RAJENDER REDDY KARNATI)**  
Partner  
Membership No.231384  
UDIN: 24231834BKGOLD2203

Place : Hyderabad  
Date : 22<sup>nd</sup> May, 2024

# FORM NO. MR-3

## Secretarial Audit Report For The Financial Year Ended 31<sup>st</sup> March 2024

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

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

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

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information, explanation and clarification provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2024 (hereinafter called the 'Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2024, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder, as amended from time to time;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time;
  - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time;
  - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

- e. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not Applicable to the Company during the Audit period.**
  - f. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not Applicable to the Company during the Audit period.**
  - g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
  - h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not Applicable to the Company during the Audit period** and
  - i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; Not Applicable to the Company during the Audit period.
- vi. Other applicable Acts
- a. The Factories Act, 1948
  - b. The Industrial Disputes Act, 1947
  - c. The Payment of Wages Act, 1936
  - d. The Minimum Wages Act, 1948
  - e. The Employee State Insurance Act, 1948
  - f. The Employees Provident Funds and Miscellaneous Provisions Act, 1952
  - g. The Payment of Bonus Act, 1965
  - h. The Payment of Gratuity Act, 1972
  - i. The Contract Labour (Regulation & Abolition) Act, 1970
  - j. The Maternity Benefit Act, 1961
  - k. The Child Labour (Prohibition & Regulation) Act, 1986
  - l. The Industrial Employment (Standing Order) Act, 1946
  - m. The Employee Compensation Act, 1923
  - n. The Apprentices Act, 1961
  - o. Equal Remuneration Act, 1976
  - p. The Employment Exchange (Compulsory Notification of Vacancies) Act, 1956
  - q. The Trade Marks Act, 1999
  - r. The Customs Act, 1962
  - s. Shops and Establishment Act, 1988
  - t. The Water (Prevention and control of pollution) Act, 1974
  - u. The Air (Prevention and control of pollution) Act, 1981
  - v. The Environment Protection Act, 1986 and rules made there under
  - w. The Explosive Act, 1884
  - x. The Indian Boilers Act, 1923
  - y. The Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013
  - z. Hazardous Waste (Management and Handling and transboundary Movement) Rules, 2008
  - aa. Food Safety and Standards Act, 2006
  - bb. The Biological Diversity Act, 2002
  - cc. The Indian Stamp Act, 1899
  - dd. The Registration Act, 1908
  - ee. AP Fire Safety Act, 1999 and Rules 2006
  - ff. The Legal Metrology Act, 2009
  - gg. The Andhra Pradesh Animal Feed (Regulation of Manufacture, Quality Control, Sale and Distribution) Act, 2020
  - hh. The Marine Products Export Development Authority Act, 1972

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

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

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

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

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

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance (except in few cases where the meetings were conducted through shorter notice with the consent of all the directors), and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at the Board and/or committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

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

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

**We further report that**, during the audit period the following specific transactions/actions took place in the Company having a major bearing on the company affairs in pursuance of above applicable acts, rules and regulations etc.

1. The Board of Directors of the Company at its meeting held on 21<sup>st</sup> December, 2023 has inter alia, approved the request for re-classification of one of the Shareholder in the "Promoter Category" to "Public Category", accordingly the Company filed the reclassification Application with BSE Limited and National Stock Exchange India Limited" on 16<sup>th</sup> January, 2024. The stock exchanges granted their approval to the application on 13<sup>th</sup> March, 2024.
2. Sri G. Sudarsan Babu was appointed as Nominee Director of APIDC w.e.f 11<sup>th</sup> February, 2023 and the same was approved by the members at the Extra-ordinary General Meeting held on 29<sup>th</sup> April, 2023 by way of passing ordinary resolution pursuant to the provisions of Sections 152, 161 and Regulation 17 and 17 (1C) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force).
3. Mr. Peerasak Boonmechote was appointed as an Additional Non-Executive Director w.e.f 20<sup>th</sup> February 2023 through circular resolution, and subsequently he was appointed as Director vide approval of the members at the Extra-ordinary General Meeting held on 29<sup>th</sup> April, 2023 by way of passing ordinary resolution. pursuant to the provisions of Sections 152, 161 and Regulation 17 and 17 (1C) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force).

4. The Company has incorporated a subsidiary company on 18<sup>th</sup> July, 2023 with the name Avanti Pet Care Private Limited (“APCPL”) (CIN: U46204TS2023PTC175105) in the State of Telangana, with 51% of Shareholding by subscribing 51,000 equity shares of ₹ 10/- each, to set-up a manufacture & trading of Pet Food & Pet Care Products. Further the Board of Directors of the Company at its meeting held on 27<sup>th</sup> September, 2023 has inter alia, approved additional investment up to ₹ 26,25,00,000/- (Rupees Twenty-six crore and twenty-five lakh only at a face value of ₹ 10/- each fully paid up by way of acceptance of offer for Rights issue of securities made for cash consideration.
5. The Scrip ID of the Company was changed from AVANTI to AVANTIFEED w.e.f. 10<sup>th</sup> January, 2024 with a view to streamline and align Scrip IDs across Exchanges.
6. The Company has Re-appointed Sri J. V. Ramudu as an Independent Director for a further period of Five (5) years commencing from 10<sup>th</sup> November, 2023 up to 9<sup>th</sup> November, 2028 (both days inclusive) after expiration of his first term as Independent Director on 09<sup>th</sup> November, 2023. The same was approved by the members at the 30<sup>th</sup> Annual General Meeting held on 11<sup>th</sup> August, 2023.
7. The Company has declared and paid a dividend of ₹ 6.25/- (Rupees Six and Twenty-Five paise only) per equity share of ₹ 1/- (Rupees One only) each fully paid-up, for the financial year 2022-23 in the 30<sup>th</sup> Annual General Meeting held on 11<sup>th</sup> August, 2023.
8. APIDC vide its letter dated 25<sup>th</sup> September, 2023 withdrawn its nomination of Sri Gurrula Sudarsan Babu, (DIN: 09402807), from the Board of the Company and nominated Sri V. Ragunath, VC and MD of APIDC as Non-Executive Nominee Director, in his place. Hence, Sri Gurrula Sudarsan Babu, (DIN: 09402807) was resigned from the Board w.e.f. 25<sup>th</sup> September, 2023. And subsequently Sri Raghunath Vemali, (DIN: 10405110) was appointed as Nominee Director in the Board Meeting held in 21<sup>st</sup> December, 2023 and later on the members approved his appointment through postal ballot resolution dated 16<sup>th</sup> February, 2024 pursuant to the applicable provisions of Sections 152, 161 and Regulation 17 and 17 (1C) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force).
9. Avanti Frozen Foods Private Limited, subsidiary, has started trial production at the newly established Shrimp Processing Plant on 28<sup>th</sup> March, 2024.
10. As per Section 135(5) of the Act, the Company shall ensure that an amount of 2% of the average Net Profits of the Company made during the three immediately preceding financial years shall be spent towards Corporate Social Responsibility activities. For the Financial year 2023-24, the amount to be spent towards CSR activities works out to ₹ 569.10 Lakhs. The Company has spent ₹ 269.10 Lakhs towards the CSR activities in the Financial Year 2023-24 and ₹ 300.00 Lakhs has been set aside for the utilization of ongoing project, AU-AVANTI – Aquaculture Skill Development Center and Avanti Vocational Training Center to be established.

**V. Bhaskara Rao and Co**  
Company Secretaries

**V. Bhaskara Rao**  
Proprietor  
FCS No.5939, CP No.4182  
Peer Review No.670/2020  
UDIN : F005939F000400619

Place : Hyderabad  
Date : 22<sup>nd</sup> May 2024

## 'ANNEXURE- A'

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

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

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

**V. Bhaskara Rao and Co**  
Company Secretaries

**V. Bhaskara Rao**  
Proprietor  
FCS No.5939, CP No.4182  
Peer Review No.670/2020  
UDIN : F005939F000400619

Place : Hyderabad  
Date : 22<sup>nd</sup> May 2024







**Standalone  
Financials  
2023-24**

# Independent Auditors' Report

## To the Members of Avanti Feeds Limited

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

#### Opinion

We have audited the accompanying Standalone Financial Statements of **Avanti Feeds Limited** ("the Company") which comprise the Balance Sheet as at 31<sup>st</sup> March, 2024, 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 material accounting policies and other explanatory information (herein after referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

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

#### Key Audit Matters

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

S. No	Key Audit Matters	Auditor's Response
1.	<p>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of Ind AS 115 "Revenue from Contracts with Customers" (revenue accounting standard)</p> <p>The application of the revenue accounting standard involves certain key judgements relating to identification of the contract with a customer, identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized when a performance obligation is satisfied. Additionally, revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.</p> <p>Refer Note 2.4c and 21 to the Financial Statements.</p>	<p><b><u>Principal Audit Procedures</u></b></p> <p>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:</p> <ul style="list-style-type: none"> <li>• We assessed the appropriateness of the revenue recognition accounting policies by comparing with applicable accounting standards.</li> <li>• Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, performance and inspection of evidence in respect of operation of these controls.</li> <li>• 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.</li> <li>• Selected a sample of continuing and new contracts and performed the following procedures: <ul style="list-style-type: none"> <li>• Read, analysed and identified the distinct performance obligations in these contracts.</li> <li>• Compared these performance obligations with that identified and recorded by the Company.</li> <li>• 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.</li> </ul> </li> <li>• 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.</li> <li>• Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings.</li> <li>• 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.</li> </ul>

S. No	Key Audit Matters	Auditor's Response
2.	<p>The Company enters into various financial instruments such as investments in quoted and unquoted equity instruments, quoted mutual funds and quoted non-convertible debentures. As at 31<sup>st</sup> March, 2024, financial instruments carried at fair value through profit and loss totalled ₹ 41,010.19 lakhs (current investments of ₹ 41,003.79 lakhs and non-current investments of ₹ 6.40 lakhs) as disclosed in Note 6 to the Standalone Financial Statements. These financial instruments are recorded at fair value as required by the relevant accounting standard. We have focused on this area due to the complexities associated with the valuation and accounting for these financial instruments.</p>	<p>Our procedures included but were not limited to:</p> <ul style="list-style-type: none"> <li>• 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;</li> <li>• Utilizing our treasury experts, we also tested on a sample basis the existence and valuation of derivative contracts as at 31<sup>st</sup> March, 2024. Our audit procedures focused on the integrity of the valuation models and the incorporation of the contract terms and the key assumptions, including future price assumptions and discount rates; and</li> <li>• Obtaining an understanding of key financial instrument contract terms to assess the appropriateness of accounting reflected in the financial report.</li> </ul> <p>We have also assessed the appropriateness of the disclosures included in Note 37 to the Standalone Financial Statements</p>
3.	<p><b>Inventory valuation and existence</b></p> <p>At the balance sheet date, the value of inventory amounted to ₹ 66,277.26 lakhs representing 28.77% of total assets. Inventories were considered as key audit matter due to the size of the balance and because inventory valuation involves management judgment.</p> <p>As described in Note 2.4i to the Standalone Financial Statements, inventories are carried at the lower of cost and net realizable value on a weighted average basis</p> <p>The Company has segment specific procedures for identifying risk for obsolescence and measuring inventories at the lower of cost and net realizable value</p>	<p>To address the risk for material error on inventories, our audit procedures included amongst other:</p> <ul style="list-style-type: none"> <li>• Assessing the compliance of Company's accounting policies over inventory with applicable accounting standards.</li> <li>• 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.</li> <li>• Compared the Quantities we counted with Quantities recorded.</li> <li>• Analysing the Inventory Ageing reports and Net realizable value of inventories</li> <li>• 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.</li> </ul>

S. No	Key Audit Matters	Auditor's Response
4	<p><b>Purchase of Raw material</b></p> <ul style="list-style-type: none"> <li>Purchase of Raw material is being considered as a key audit matter as the Company procures its principle raw materials from the suppliers and the price of the same is highly volatile to the market conditions.</li> <li>Based upon the production requirements and after considering the tentative prices, the management decides the raw materials which have to be procured.</li> <li>The total cost of raw material purchased by the entity for the financial year 2023-24 is ₹ 3,71,478.14 lakhs.</li> </ul>	<p>Following are some of the substantive tests that were part of our auditing procedures in addition to testing the internal controls' design and effectiveness:</p> <ul style="list-style-type: none"> <li>Internal controls relating to the purchase of raw materials and payments made to the suppliers of the raw materials on the basis of source documentation have been assessed in terms of their design and tested in terms of their implementation.</li> <li>We have performed test of controls over procurement procedures to assess the operating effectiveness of the controls placed in recognition of the cost of material consumption.</li> <li>We have conducted test of details through correlating the raw materials procured and the raw material consumed as per the production and stock reports.</li> <li>Understood the credit terms for payments to suppliers and assessed whether the same have been complied with.</li> </ul>

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

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

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

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

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

## Management's Responsibility and Those charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and

estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

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

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

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

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

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure-A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- 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, except for the matters stated in paragraph 2h (vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- c) The balance sheet, the statement of profit and loss including other comprehensive income, the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure-B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

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

- i) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements- Refer Note 30 to the Standalone Financial Statements.
- ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv)
  - a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether, directly or indirectly lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - c) Based on the audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v)
  - a) The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.
  - b) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
- vi) The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 01<sup>st</sup> April, 2023.

Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended 31<sup>st</sup> March, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except in the case of records of property, plant and equipment, payroll and inventory of finished goods which are being maintained manually.

Further, the feature of recording audit trail (edit log) facility was not available at the database level to log any direct data changes for the accounting software used for maintaining the books of account of the Company.



During the course of our audit we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 01<sup>st</sup>, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31<sup>st</sup> March, 2024.

**For TUKARAM & CO LLP**

Chartered Accountants

ICAI Firm Registration No: 004436S / S200135

**(RAJENDER REDDY KARNATI)**

Partner

Membership No: 231834

UDIN: 24231834BKGOLB8357

Place : Hyderabad

Date : 22<sup>nd</sup> May 2024

## “Annexure – A” to the Independent Auditors’ Report

on the Standalone Financial Statements of Avanti Feeds Limited  
for the year ended 31<sup>st</sup> March, 2024.

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

- i) In respect of the Company’s Property, Plant and Equipment (including right-of-use assets) and Intangible Assets:
  - a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.  
B) The Company has maintained proper records showing full particulars of intangible assets.
  - b) As explained to us, the management has physically verified a substantial portion of the Property, Plant and Equipment during the year and in our opinion frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies noticed on physical verification of Property, Plant and Equipment as compared to the books of account were not material and have been properly dealt with in the books of accounts.
  - c) In our opinion and according to the information and explanations given to us, all the title deeds of immovable properties are held in the name of the Company. In respect of immovable properties of land and buildings that have been taken on lease and disclosed as assets in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
  - d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
  - e) No proceedings have been initiated during the year or are pending against the Company as at 31<sup>st</sup> March, 2024 for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii)
  - a) According to the information and explanations given to us, the inventories have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable and the coverage and procedure of such verification by the management is appropriate. The discrepancies identified during such verification were not more than 10% in the aggregate for each class of inventory as compared to the books of account.
  - b) The Company has been sanctioned working capital limits in excess of five crore rupees from banks on the basis of security of current assets. The quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.
- iii) According to the information and explanations given to us, in our opinion, the investments made by the Company are prima facie not prejudicial to the interest of the Company.  
The Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, reporting under clause 3(iii)(a) to 3(iii)(f) of the Order are not applicable.
- iv) There are no loans, guarantees and securities in respect of which provisions of sections 185 of the Act are applicable. Investments in respect of which provisions of section 186 of the Act are applicable, have been complied with by the Company.

- v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor accepted any amount which are deemed to be deposits within the meaning of Section 73 and 76 or any other relevant provisions of the Act and the rules framed there under. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. We have broadly reviewed the books of account and records maintained by the Company pursuant to the Rules made by the Central Government of India for the maintenance of cost records prescribed under sub-section (1) of section 148 of the Act, related to generation of electricity and are of the opinion that prima facie, the prescribed accounts and records have been maintained. We have however, not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. In respect of Statutory dues:
- The Company is regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees state insurance, income-tax, goods and service tax, value added tax, duty of customs, cess and other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of such statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
  - According to the information and explanations given to us, there are no dues of provident fund, employees state insurance, goods and service tax, cess and other statutory dues which have not been deposited on account of any dispute. The details of dues of value added tax, duty of customs and Income Tax Act that have not been deposited on account of any dispute, are as follows:

Name of the Statute	Nature of the Dues	Amount '₹' in Lakhs	Period to which the amount relates	Forum where dispute is pending
Madhya Pradesh VAT Act, 2002	Sales tax (MP VAT demand for soya transactions in 2005-06)	29.22	2005-2006	High Court of Madhya Pradesh
Customs Act, 1962	Customs duty	60.82	2009-2010 to 2011-2012	CESTAT, Chennai
Income Tax Act, 1961	Income Tax	12.23	2013-2014	Commissioner Appeals, Income Tax, Hyderabad
Customs Act, 1962	Customs duty	11.44	2017-2018 & 2018-2019	The Commissioner of Customs (Appeals), JNCH-Navaseva, Mumbai

- viii. According to information and explanation given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- xi.
- Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to banks. There are no dues to financial institutions or government.
  - The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
  - The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

- d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
  - e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associates. The Company does not have any joint venture.
  - f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries or associates and hence reporting under clause 3(ix)(f) of the Order is not applicable.
- x.
- a) According to the information and explanations given to us, the Company has not raised any money during the year by way of public offer (including debt instruments) and hence reporting under clause 3(x)(a) of the Order is not applicable.
  - b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi.
- a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
  - b) During the year, no report under sub-section (12) of section 143 of the Act has been filed by secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
  - c) We have taken into consideration the whistle blower complaints received by the Company during the year (and up to the date of this report), while determining the nature, timing and extent of our audit procedures.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv.
- a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
  - b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi.
- a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi) (a), (b) and (c) of the Order is not applicable.

- b) In our opinion, there is no Core Investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii There has been no resignation of the statutory auditors of the Company during the year.
- xix On the basis of the financial ratios disclosed in Note 39 to the Standalone financial statements, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx.
- a) In our opinion and according to the information and explanations given to us, there is no unspent amount towards Corporate Social Responsibility requiring to transfer to a Fund specified in Schedule-VII to the Companies Act in compliance with second proviso to sub-section (5) of section 135 of the said Act. Accordingly, reporting under clauses 3(xx)(a) of the Order are not applicable.
- b) In respect of ongoing projects, the Company has transferred unspent CSR amount as at the end of the financial year, to a Special account within a period of 30 days from the end of the said financial year in compliance with the provision of section 135(6) of the Companies Act, 2013.

**For TUKARAM & CO LLP**  
Chartered Accountants  
ICAI Firm Registration No: 004436S / S200135

**(RAJENDER REDDY KARNATI)**  
Partner  
Membership No: 231834  
UDIN: 24231834BKGOLB8357

Place : Hyderabad  
Date : 22<sup>nd</sup> May 2024

# Annexure - B to the Independent Auditors' Report Report

## on the Financial Statements of Avanti Feeds Limited for the year ended 31<sup>st</sup> March, 2024

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

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

We have audited the internal financial controls over financial reporting of **Avanti Feeds Limited** ("the Company") as of 31<sup>st</sup> March, 2024 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

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

### Auditors' Responsibility

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

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

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

### Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and

fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Financial Statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### **For TUKARAM & CO LLP**

Chartered Accountants

ICAI Firm Registration No: 004436S / S200135

#### **(RAJENDER REDDY KARNATI)**

Partner

Membership No: 231834

UDIN: 24231834BKGOLB8357

Place : Hyderabad

Date : 22<sup>nd</sup> May 2024

## Balance Sheet as at 31<sup>st</sup> March, 2024

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

Particulars	Note	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property, plant and equipment	3	25,776.11	23,540.94
Capital work-in-progress	3 (a)	293.64	2,001.65
Right-of-use Assets	4 (a)	72.27	99.93
Intangible assets	5	0.73	3.64
Financial assets			
Investments	6	16,527.78	13,892.08
Loans	7(a)	219.48	182.88
Other financial assets	8	729.45	668.78
Non-current tax assets (net)	20(b)	1,849.09	1,244.63
Other non-current assets	9 (a)	698.98	832.99
<b>Total Non-current Assets</b>		<b>46,167.53</b>	<b>42,467.52</b>
<b>Current Assets</b>			
Inventories	10 (a)	66,277.26	56,019.88
Biological Assets	10 (b)	115.50	123.07
Financial assets			
Investments	6(b)	53,499.66	77,042.72
Trade receivables			
Billed	11(a)	3,935.20	6,281.93
Unbilled	11(b)	5.00	9.92
Cash and cash equivalents	12(a)	727.49	2,378.07
Other bank balances	12(b)	58,656.66	20,641.17
Loans	7(b)	115.78	86.02
Other current assets	9(b)	848.81	1,441.37
<b>Total Current Assets</b>		<b>1,84,181.36</b>	<b>1,64,024.15</b>
<b>Total Assets</b>		<b>2,30,348.89</b>	<b>2,06,491.67</b>
<b>EQUITY AND LIABILITIES</b>			
Equity			
Equity share capital	13	1,362.46	1,362.46
Other equity	14	1,97,162.59	1,74,987.28
<b>Total Equity</b>		<b>1,98,525.05</b>	<b>1,76,349.74</b>
<b>Liabilities</b>			
<b>Non-current Liabilities</b>			
Financial liabilities			
Lease Liabilities	4(b)(i)	41.09	72.39
Other financial liabilities	15(a)	372.00	372.00
Provisions	16(a)	-	-
Deferred tax liabilities (net)	20(a)	1,923.84	1,789.21
<b>Total non-current liabilities</b>		<b>2,336.93</b>	<b>2,233.60</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	18	-	-
Lease Liabilities	4(b)(ii)	44.94	40.06
Trade payables:			
i) Total outstanding dues of Micro enterprises and small enterprises	19	2,992.57	946.53
ii) Total outstanding dues of creditors other than Micro enterprises and small enterprises	19	24,220.14	23,299.69
Other financial liabilities	15(b)	277.95	249.54
Other current liabilities	17	1,686.07	3,195.24
Provisions	16(b)	265.24	177.27
<b>Total Current Liabilities</b>		<b>29,486.91</b>	<b>27,908.33</b>
<b>Notes forming part of the Financial Statements</b>	1-41		
<b>Total Equity and Liabilities</b>		<b>2,30,348.89</b>	<b>2,06,491.67</b>

The accompanying notes are an integral part of the financial statements

As per our Report of even date

**For TUKARAM & CO. LLP**

Chartered Accountants  
ICAI Firm Registration No. 004436S / S200135

**(Rajender Reddy Karnati)**

Partner  
Membership No. 231834

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

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

**A. Indra Kumar**  
DIN: 00190168  
Chairman & Managing Director

**N. Ram Prasad**  
DIN: 00145558  
Director



# Statement of Profit & Loss for the year ended 31<sup>st</sup> March, 2024

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

Particulars	Note	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>Income</b>			
Revenue from operations	21	<b>4,29,028.48</b>	4,04,135.51
Other Income (net)	22	<b>10,537.72</b>	6,275.05
<b>Total Income</b>		<b>4,39,566.20</b>	<b>4,10,410.56</b>
<b>Expenses</b>			
Cost of materials consumed	23	<b>3,65,319.78</b>	3,47,604.57
Purchase of bearer biological assets	23	<b>258.33</b>	181.52
Changes in inventories of Finished Goods, work-In-Progress & Biological assets	24	<b>(4,653.87)</b>	(3,318.30)
Employee benefits expense	25	<b>15,478.20</b>	13,073.06
Finance costs	26	<b>54.36</b>	74.40
Depreciation and amortization expenses	27	<b>3,238.07</b>	2,302.19
Other expenses	28	<b>19,171.20</b>	19,812.22
<b>Total expenses</b>		<b>3,98,866.07</b>	<b>3,79,729.66</b>
<b>Profit before tax</b>		<b>40,700.13</b>	<b>30,680.90</b>
<b>Tax Expense</b>			
Current tax	20(c)	<b>9,759.86</b>	7,266.10
Deferred tax	20(c)	<b>134.62</b>	130.38
<b>Total tax expenses</b>		<b>9,894.48</b>	<b>7,396.48</b>
<b>Profit for the year</b>		<b>30,805.65</b>	<b>23,284.42</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurement of the defined benefit plans		<b>(114.99)</b>	(27.02)
<b>Total comprehensive income for the year (Comprising Profit and other Comprehensive Income for the year)</b>		<b>30,690.66</b>	<b>23,257.40</b>
<b>Earnings per equity share (EPS)</b>			
(Equity shares, par value of ₹ 1/- each)			
Basic and diluted EPS (in ₹)			
Basic	29	<b>22.61</b>	17.09
Diluted	29	<b>22.61</b>	17.09

The accompanying notes are an integral part of the financial statements

As per our Report of even date

**For TUKARAM & CO. LLP**

Chartered Accountants

ICAI Firm Registration No. 004436S / S200135

**(Rajender Reddy Karnati)**

Partner

Membership No. 231834

Place : Hyderabad

Date : 22<sup>nd</sup> May, 2024

**C. Ramachandra Rao**

**DIN: 00026010**

Jt. Managing Director,  
Company Secretary & CFO

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

**A. Indra Kumar**

**DIN: 00190168**

Chairman & Managing Director

**N. Ram Prasad**

**DIN: 00145558**

Director

## Statement of Changes in Equity for the year ended 31<sup>st</sup> March, 2024

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

### a. Equity Share Capital

Particulars	Number of Shares	Amount
<b>Balance at 1<sup>st</sup> April, 2022</b>	<b>13,62,45,630</b>	<b>1,362.46</b>
Changes in equity share capital during the year	-	-
Changes in equity share capital due to prior period errors	-	-
<b>Balance at 31<sup>st</sup> March, 2023</b>	<b>13,62,45,630</b>	<b>1,362.46</b>
Changes in equity share capital during the year	-	-
Changes in equity share capital due to prior period errors	-	-
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>13,62,45,630</b>	<b>1,362.46</b>

### b. Other Equity

Particulars	Reserves and Surplus		
	General reserve	Retained earnings	Total
<b>Balance at 1<sup>st</sup> April, 2022</b>	<b>22,565.72</b>	<b>1,37,679.51</b>	<b>1,60,245.23</b>
Profit for the year		23,284.42	23,284.42
Other comprehensive income		(27.02)	(27.02)
Dividends		(8,515.35)	(8,515.35)
Transfer from retained earnings to general reserve	2,500.00	(2,500.00)	-
<b>Balance at 31<sup>st</sup> March, 2023</b>	<b>25,065.72</b>	<b>1,49,921.56</b>	<b>1,74,987.28</b>
Profit for the year		30,805.65	30,805.65
Other comprehensive income		(114.99)	(114.99)
Dividends		(8,515.35)	(8,515.35)
Transfer from retained earnings to general reserve	2,500.00	(2,500.00)	-
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>27,565.72</b>	<b>1,69,596.87</b>	<b>1,97,162.59</b>

The accompanying notes are an integral part of the financial statements

As per our Report of even date

**For TUKARAM & CO. LLP**

Chartered Accountants

ICAI Firm Registration No. 004436S / S200135

**(Rajender Reddy Karnati)**

Partner

Membership No. 231834

Place : Hyderabad

Date : 22<sup>nd</sup> May, 2024

**C. Ramachandra Rao**  
**DIN: 00026010**

Jt. Managing Director,  
Company Secretary & CFO

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

**A. Indra Kumar**  
**DIN: 00190168**

Chairman & Managing Director

**N. Ram Prasad**  
**DIN: 00145558**

Director

# Statement of Cash Flows for the year ended 31<sup>st</sup> March, 2024

(₹ in lakhs, unless otherwise stated)

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit before tax</b>	<b>40,700.13</b>	30,680.90
<b>Adjustments for :</b>		
Depreciation and amortisation expense	3,238.07	2,302.19
Provision for employee benefits	265.24	177.27
Finance costs	54.36	74.40
Loss on disposal of property, plant and equipment	7.60	11.75
Interest income	(5,442.96)	(2,291.96)
Dividend from Subsidiaries	(450.75)	(300.50)
Dividend from Associates	(37.26)	(159.68)
Dividend from others	(1.83)	-
Gain/loss from sale of financial assets measured at fair value through profit and loss	(2,999.18)	(2,579.85)
Fair valuation of financial assets measured at fair value through profit and loss	(1,080.49)	(279.97)
Foreign exchange gain/(Loss)	(94.92)	(231.79)
<b>Operating profit before working capital changes</b>	<b>34,158.01</b>	<b>27,402.76</b>
<b>CHANGES IN WORKING CAPITAL:</b>		
<b>Adjustments for (increase)/decrease in operating assets:</b>		
Trade receivables		
Billed	2,346.73	(4,084.10)
Unbilled	4.92	(3.35)
Other financial assets	531.89	(422.31)
Inventories	(10,257.38)	15,447.37
Other assets	67.65	(179.25)
<b>Adjustments for increase / (decrease) in operating liabilities:</b>		
Trade payables	2,966.49	(1,463.97)
Other financial liabilities	28.41	(106.33)
Other current liabilities	(1,801.43)	(882.63)
<b>Cash generated from operations</b>	<b>28,045.29</b>	<b>35,708.19</b>
Income taxes paid, net	(10,364.32)	(6,868.36)
<b>Net cash from operating activities (A)</b>	<b>17,680.97</b>	<b>28,839.83</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipment, including capital advances	(3,738.03)	(10,890.56)
Proceeds from disposal of Property, Plant and Equipment	19.53	3.12
Investment in Subsidiary	(2,630.10)	(384.24)
Purchase of Investments	(49,875.79)	(79,425.19)
Redemption/sale proceeds of Investments	77,493.60	84,638.53
Interest received	5,442.96	2,291.96
Dividend from Subsidiaries	450.75	300.50
Dividend from Associates	37.26	159.68
Dividend from others	1.83	-
Changes in Other bank balances	(37,990.18)	(19,728.78)
<b>Net cash from /(used in) investing activities (B)</b>	<b>(10,788.17)</b>	<b>(23,034.98)</b>

## Statement of Cash Flows for the year ended 31<sup>st</sup> March, 2024

(₹ in lakhs, unless otherwise stated)

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Finance costs	(46.77)	(74.40)
Repayment of lease liabilities	(50.87)	(74.60)
Dividends paid	(8,540.66)	(8,505.18)
Foreign exchange gain/(Loss)	94.92	231.79
<b>Net cash from/(used in) financing activities (C)</b>	<b>(8,543.38)</b>	<b>(8,422.39)</b>
<b>Net increase/(decrease) in Cash and cash equivalents (A+B+C)</b>	<b>(1,650.58)</b>	<b>(2,617.54)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>2,378.07</b>	<b>4,995.61</b>
<b>Cash and cash equivalents at the end of the year (Refer Note (i) below)</b>	<b>727.49</b>	<b>2,378.07</b>
Note (i):		
Cash in hand	8.52	2.71
Balances with Banks	718.97	2,375.36
<b>Cash and cash equivalent</b>	<b>727.49</b>	<b>2,378.07</b>

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

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

Figures in brackets indicate cash outflows

The accompanying notes are an integral part of the financial statements

As per our Report of even date

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

**For TUKARAM & CO. LLP**

Chartered Accountants

ICAI Firm Registration No. 004436S / S200135

**(Rajender Reddy Karnati)**

Partner

Membership No. 231834

**C. Ramachandra Rao**

**DIN: 00026010**

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Chairman & Managing Director

**N. Ram Prasad**

**DIN: 00145558**

Director

Place : Hyderabad

Date : 22<sup>nd</sup> May, 2024

# Notes forming part of the Financial Statements

## 1 Corporate information

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

The financial statements are approved for issue by the Company's Board of Directors on 22<sup>nd</sup> May, 2024.

## 2 Basis of preparation of financial statements and material accounting policies:

### 2.1 Basis of preparation and measurement

#### i Basis of preparation

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

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

#### ii Basis of measurement

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

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

#### (iii) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

## Notes forming part of the Financial Statements

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in Cash and Cash equivalents.

### 2.2 Measurement of fair values

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

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

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

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

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

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

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

### 2.3 Use of estimates and judgements

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

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

# Notes forming part of the Financial Statements

## 2.4 Material accounting policies

### a Segment reporting

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

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

### b Foreign currency translation

#### (i) Functional and presentation currency

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

#### (ii) Transactions and translations

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

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

### c Revenue recognition

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

- 1 identify the contract with a customer,
- 2 identify the performance obligations in the contract,
- 3 determine the transaction price,
- 4 allocate the transaction price to the performance obligations in the contract, and
- 5 recognize revenues when a performance obligation is satisfied.

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

## Notes forming part of the Financial Statements

company uses expected cost plus margin approach in estimating the stand-alone selling price.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold is net of variable consideration on account of various discounts and schemes offered by the company as part of the contract.

### d Government grant

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

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

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

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

### e Income Tax

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

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

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



# Notes forming part of the Financial Statements

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

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

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

## **f Ind AS 116 - Leases**

As a lessee

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

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

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

## **g Impairment of assets**

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

## Notes forming part of the Financial Statements

### **h Cash and cash equivalents**

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

### **i Inventories**

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

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

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

### **j Biological assets**

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

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

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

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

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

Management estimates the fair value less costs to sell of biological assets, taking into account the most reliable evidence available at each reporting date. The future

# Notes forming part of the Financial Statements

realization of these biological assets may be affected by their survival rate, age and / or other market-driven changes that may reduce the future economic benefits associated with such assets. The fair value is arrived at based on the observable market prices of biological assets adjusted for cost to sells, as applicable.

## k Investments and other financial assets

### i Classification

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

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

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

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

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

### ii Measurement

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

#### Debt instruments

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

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

## Notes forming part of the Financial Statements

asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.

- Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the Statement of Profit and Loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

### Equity instruments

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

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/(losses) in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

### iii Impairment of financial assets

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

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

### iv Derecognition of financial assets

A financial asset is derecognised only when

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

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

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

# Notes forming part of the Financial Statements

v Income recognition

Interest income:

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

vi Dividends

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

**l 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).

**m 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.

**n Property, plant and equipment**

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

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

**Depreciation methods, estimated useful lives and residual value**

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

## Notes forming part of the Financial Statements

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

### **o Intangible assets**

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

#### **i Computer software**

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

#### **ii Amortisation methods and periods**

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

### **p 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.

### **q 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.

# Notes forming part of the Financial Statements

## r 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.

## s Provisions, Contingent liabilities & Contingent assets

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

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

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

### Contingent liabilities

Contingent liabilities are disclosed, unless the possibility of outflow of resources is remote, when there is

- A possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or
- A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or reliable estimate of the amount cannot be made

The Company has disclosed the same as per the requirements of Ind AS 37.

### Contingent assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by- the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The Company does not recognize the contingent asset in its standalone financial statements since this may result in the recognition of income that may never be realised. Where an inflow of economic benefits are probable, the Company disclose a brief description of the nature of contingent assets at the end of the reporting period. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and the Company recognize such assets.

## Notes forming part of the Financial Statements

### t Employee benefits

#### i Short-term obligations

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

#### ii Other long-term employee benefit obligations

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

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

#### iii Post-employment obligations

The Company operates the following post-employment schemes:

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

#### **Gratuity obligations**

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

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

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

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

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



# Notes forming part of the Financial Statements

## Defined contribution plans

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

### iv Bonus plans

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

## u 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.

## v 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 end of the reporting period.

## w 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.

## x 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

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31<sup>st</sup> March, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

## Notes forming part of the Financial Statements

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

### 3 Property, plant and equipment

	Land - Free hold	Buildings	Roads	Plant & machinery	Wind mills	Electrical Installation	Solar Power	Lab equipment	Office equipment	Computers	Furniture and fixtures	Motor vehicles	Total tangible assets
<b>Gross Carrying amount</b>													
<b>As at 31<sup>st</sup> March, 2022</b>	<b>2,634.80</b>	<b>5,837.04</b>	<b>366.58</b>	<b>11274.63</b>	<b>649.31</b>	<b>2,224.69</b>	<b>34.60</b>	<b>399.15</b>	<b>238.52</b>	<b>202.07</b>	<b>180.78</b>	<b>1,126.35</b>	<b>25,168.52</b>
Additions	62.25	3,507.53	456.61	5,676.20	-	1,019.24	-	138.80	32.98	68.15	40.51	162.70	11,164.97
Disposals	-	-	-	211.04	-	0.14	-	4.13	2.50	44.28	0.28	3.65	266.02
<b>As at 31<sup>st</sup> March, 2023</b>	<b>2,697.05</b>	<b>9,344.57</b>	<b>823.19</b>	<b>16,739.79</b>	<b>649.31</b>	<b>3,243.79</b>	<b>34.60</b>	<b>533.82</b>	<b>269.00</b>	<b>225.94</b>	<b>221.01</b>	<b>1,285.40</b>	<b>36,067.47</b>
Additions	-	2,435.68	-	444.73	-	412.02	589.86	37.94	407.67	26.32	1,020.22	79.17	5,453.61
Disposals	-	9.15	-	212.57	-	3.06	-	1.40	23.30	14.32	1.61	42.91	308.32
<b>As at 31<sup>st</sup> March, 2024</b>	<b>2,697.05</b>	<b>11,771.10</b>	<b>823.19</b>	<b>16,971.95</b>	<b>649.31</b>	<b>3,652.75</b>	<b>624.46</b>	<b>570.36</b>	<b>653.37</b>	<b>237.94</b>	<b>1,239.62</b>	<b>1,321.66</b>	<b>41,212.76</b>
<b>Depreciation</b>													
<b>Upto 31<sup>st</sup> March, 2022</b>	<b>-</b>	<b>711.42</b>	<b>173.03</b>	<b>7,011.05</b>	<b>324.76</b>	<b>1,189.20</b>	<b>14.07</b>	<b>180.67</b>	<b>166.75</b>	<b>161.36</b>	<b>99.40</b>	<b>514.34</b>	<b>10,546.05</b>
Charge for the year	-	206.29	34.90	1,422.57	54.14	259.53	3.01	45.97	31.93	38.07	19.28	114.15	2,229.84
Disposals	-	-	-	199.00	-	0.11	-	2.97	2.48	42.57	0.16	2.06	249.35
<b>Upto 31<sup>st</sup> March, 2023</b>	<b>-</b>	<b>917.71</b>	<b>207.93</b>	<b>8,234.62</b>	<b>378.90</b>	<b>1,448.62</b>	<b>17.08</b>	<b>223.67</b>	<b>196.20</b>	<b>156.86</b>	<b>118.52</b>	<b>626.43</b>	<b>12,526.54</b>
Charge for the year	-	337.07	77.93	1,981.29	54.29	339.84	15.76	54.18	76.44	42.12	81.94	130.44	3,191.30
Disposals	-	1.46	-	210.13	-	1.49	-	1.24	23.12	12.47	1.07	30.21	281.19
<b>Upto 31<sup>st</sup> March, 2024</b>	<b>-</b>	<b>1,253.32</b>	<b>285.86</b>	<b>10,005.78</b>	<b>433.19</b>	<b>1,786.97</b>	<b>32.84</b>	<b>276.61</b>	<b>249.52</b>	<b>186.51</b>	<b>199.39</b>	<b>726.66</b>	<b>15,436.65</b>
<b>Net block</b>													
<b>As at 31<sup>st</sup> March, 2023</b>	<b>2,697.05</b>	<b>8,426.86</b>	<b>615.26</b>	<b>8,505.17</b>	<b>270.41</b>	<b>1,795.17</b>	<b>17.52</b>	<b>310.15</b>	<b>72.80</b>	<b>69.08</b>	<b>102.49</b>	<b>658.97</b>	<b>23,540.94</b>
<b>As at 31<sup>st</sup> March, 2024</b>	<b>2,697.05</b>	<b>10,517.78</b>	<b>537.33</b>	<b>6,966.17</b>	<b>216.12</b>	<b>1,865.78</b>	<b>591.62</b>	<b>293.75</b>	<b>403.85</b>	<b>51.43</b>	<b>1,040.23</b>	<b>595.00</b>	<b>25,776.11</b>

# Notes forming part of the Financial Statements

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

## 3 a) Capital work-in-progress

	Capital work-in-progress
Gross Carrying amount	
<b>As at 31<sup>st</sup> March, 2022</b>	<b>2,312.85</b>
Additions	10,829.29
Capitalised during the year	11,140.49
<b>As at 31<sup>st</sup> March, 2023</b>	<b>2,001.65</b>
Additions	3,641.87
Capitalised during the year	5,349.88
<b>As at 31<sup>st</sup> March, 2024</b>	<b>293.64</b>
<b>Net block</b>	
<b>As at 31<sup>st</sup> March, 2023</b>	<b>2,001.65</b>
<b>As at 31<sup>st</sup> March, 2024</b>	<b>293.64</b>

### Notes:

- Refer to note 18 for information on property, plant and equipment pledged as security by the company.
- Refer to note 31 for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- ₹ 5,349.88 Lakhs has been capitalised and transferred to property, plant and equipment during the year ended 31<sup>st</sup> March, 2024
- ₹ 11,140.49 Lakhs has been capitalised and transferred to property, plant and equipment during the year ended 31<sup>st</sup> March, 2023

### Ageing of capital work-in-progress as on 31<sup>st</sup> March, 2024

Particulars	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
<b>Projects in Progress</b>					
Factory Building at Hatchery	162.12	-	-	-	<b>162.12</b>
Solar Power at Kovvur	10.71	-	-	-	<b>10.71</b>
Electrical Installation	12.16	-	-	-	<b>12.16</b>
Office Equipment at Kovvur	6.18	-	-	-	<b>6.18</b>
Office Equipment at Gujarat	2.99	-	-	-	<b>2.99</b>
Plant & Machinery at Hatchery	9.25	-	-	-	<b>9.25</b>
Plant & Machinery at Gujarat	90.23	-	-	-	<b>90.23</b>
<b>Total</b>	<b>293.64</b>	-	-	-	<b>293.64</b>

Projects temporarily suspended: Nil

## Notes forming part of the Financial Statements

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

### Ageing of capital work-in-progress as on 31<sup>st</sup> March 2023

Particulars	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
<b>Projects in Progress</b>					
Admin Building, Kovvurv	263.00	196.24	-	-	<b>459.24</b>
Compound wall at Bandapuram	246.48	-	-	-	<b>246.48</b>
Office equipment at Kovvur	265.56	-	-	-	<b>265.56</b>
Data process equipment at Kovvur	24.45	-	-	-	<b>24.45</b>
Temporary shed at Kovvur	12.92	-	-	-	<b>12.92</b>
Guest House at Kovvur	750.45	222.89	-	-	<b>973.34</b>
Plant & Machinery at Kovvur	3.45	-	-	-	<b>3.45</b>
Plant & Machinery at Gujarat	16.21	-	-	-	<b>16.21</b>
<b>Total</b>	<b>1,582.52</b>	<b>419.13</b>	<b>-</b>	<b>-</b>	<b>2,001.65</b>

Projects temporarily suspended: Nil

## 4 Right of use asset

### a) ROU as at 31<sup>st</sup> March, 2024

Particulars	Category of ROU asset	Total
	Buildings	
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>177.95</b>	<b>177.95</b>
Additions	4.34	<b>4.34</b>
Deletion	(13.52)	<b>(13.52)</b>
Depreciation	(68.84)	<b>(68.84)</b>
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>99.93</b>	<b>99.93</b>
Additions	21.06	<b>21.06</b>
Adjustment	(3.18)	<b>(3.18)</b>
Deletion	(1.67)	<b>(1.67)</b>
Depreciation	(43.86)	<b>(43.86)</b>
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>72.27</b>	<b>72.27</b>

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 31<sup>st</sup> March, 2024

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
i Non - Current	<b>41.09</b>	72.39
ii Current	<b>44.94</b>	40.06
<b>Total</b>	<b>86.03</b>	<b>112.45</b>

# Notes forming part of the Financial Statements

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

The movement in lease liabilities during the year ended 31<sup>st</sup> March, 2024 is as follows:

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Opening balance</b>	<b>112.45</b>	185.72
Additions	<b>21.06</b>	2.23
Finance cost accrued during the year	<b>7.59</b>	12.61
Deletions	<b>(1.79)</b>	(15.33)
Remeasurement of Leases	-	1.80
Adjustments	<b>(2.40)</b>	-
Payment of lease liabilities	<b>(50.87)</b>	(74.60)
<b>Closing balance</b>	<b>86.03</b>	<b>112.45</b>

Rental expenses recorded on short-term leases was ₹ 259.48 Lakhs

The details of the contractual maturities of lease liabilities as at 31<sup>st</sup> March, 2024 on an undiscounted basis are as follows:

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Less than one year	<b>44.94</b>	40.00
One year to three years	<b>41.09</b>	72.45
More than three years	-	-
<b>Total</b>	<b>86.03</b>	<b>112.45</b>

## 5 Intangible assets

Description of Assets	Computer software
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>25.55</b>
Additions	-
Disposals	-
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>25.55</b>
Additions	-
Disposals	<b>0.47</b>
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>25.08</b>
Amortization expense:	
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>18.40</b>
<b>Amortization expense for the year</b>	<b>3.51</b>
Disposals	-
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>21.91</b>
Amortization expense for the year	<b>2.91</b>
Disposals	<b>0.47</b>
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>24.35</b>
<b>Net Block</b>	
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>3.64</b>
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>0.73</b>

## Notes forming part of the Financial Statements

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

### 6 Investments

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>a) Non - current investments ( Refer note i below)</b>		
<b>Investments carried at cost</b>		
i Equity instruments of subsidiaries (unquoted)	13,145.88	10,515.78
ii Equity instruments of associated companies (unquoted)	1,064.52	1,064.52
iii Equity instruments of other entities (unquoted)	795.77	795.77
<b>Investments carried at fair value through profit and loss</b>		
iv Equity instruments of other entities (quoted)	6.40	3.20
<b>Investments carried at amortised cost</b>		
v Investments in Non Convertible Debentures (quoted)	1,515.21	1,512.81
<b>Total</b>	<b>16,527.78</b>	<b>13,892.08</b>
<b>b) Current investments (Refer note ii below)</b>		
<b>Investments carried at fair value through profit and loss</b>		
i Investments in Mutual Funds (quoted)	39,945.32	56,635.87
<b>Investments carried at amortised cost</b>		
i Investments in Non Convertible Debentures (quoted)	1,058.47	7,375.93
ii Investments in term deposits:	12,495.87	13,030.92
<b>Total</b>	<b>53,499.66</b>	<b>77,042.72</b>
<b>Note i: Details of non-current investments</b>		
<b>Equity instruments of subsidiaries (unquoted)</b>		
<b>Avanti Frozen Foods Private Limited</b>	<b>8,461.00</b>	<b>8,461.00</b>
60,10,000 ( 31 <sup>st</sup> March 2023 : 60,10,000) equity shares of ₹ 10/- each fully paid up )		
<b>Srivathsa Power Projects Limited</b>	<b>2,054.78</b>	<b>2,054.78</b>
3,33,97,090 (31 <sup>st</sup> March, 2023: 3,33,97,090) equity shares of ₹ 10/- each fully paid up		
<b>Avanti Pet Care Private Limited</b>	<b>2,630.10</b>	<b>-</b>
2,63,01,000 (31 <sup>st</sup> March, 2023: nil) equity shares of ₹ 10/- each fully paid up		
<b>Total a (i)</b>	<b>13,145.88</b>	<b>10,515.78</b>
<b>Equity instruments of associate companies (unquoted)</b>		
<b>Patikari Power Private Limited</b>	<b>1,064.52</b>	<b>1,064.52</b>
1,06,45,200 (31 <sup>st</sup> March, 2023: 1,06,45,200) equity shares of ₹ 10/- each fully paid up		
<b>Total a(ii)</b>	<b>1,064.52</b>	<b>1,064.52</b>
<b>Equity instruments of other entities (unquoted)</b>		
<b>Bhimavaram Hospitals Limited</b>	<b>12.00</b>	<b>12.00</b>
1,20,000 (31 <sup>st</sup> March, 2023: 1,20,000) equity shares of ₹ 10/- each fully paid up		
<b>PT Thai Union Kharisma Lestari</b>	<b>783.77</b>	<b>783.77</b>
15,46,800 (31 <sup>st</sup> March, 2023: 15,46,800) equity shares of IDR 10,000/- each fully paid up		
<b>Total a(iii)</b>	<b>795.77</b>	<b>795.77</b>

# Notes forming part of the Financial Statements

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

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Equity instruments of other entities (quoted)</b>		
<b>IDBI Bank Limited</b>	<b>2.33</b>	1.30
2,880 (31 <sup>st</sup> March, 2023: 2,880) equity shares of ₹ 10/- each fully paid up		
<b>UCO Bank Limited</b>	<b>4.07</b>	1.90
7,800 (31 <sup>st</sup> March, 2023: 7,800) equity shares of ₹ 10/- each fully paid up		
<b>Total a(iv)</b>	<b>6.40</b>	<b>3.20</b>
<b>Investments in Non Convertible Debentures (quoted)</b>		
7.7541% Tata Motors Finance Holding Limited: 150 nos (31 <sup>st</sup> March, 2023: 150 nos)	<b>1,515.21</b>	1,512.81
	<b>1,515.21</b>	1,512.81
<b>Total a(i+ii+iii+iv)</b>	<b>16,527.78</b>	<b>13,892.08</b>
Aggregate amount of quoted investments and market value thereof	<b>1,521.61</b>	1,516.01
Aggregate amount of unquoted investments	<b>15,006.17</b>	12,376.07
Aggregate amount of impairment in the value of investments in unquoted equity shares	-	-
	<b>16,527.78</b>	<b>13,892.08</b>

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Note: ii Current investments</b>		
<b>Investment in quoted mutual funds</b>		
IDFC Low duration Fund - Growth Regular plan - nil (31 <sup>st</sup> March, 2023: 15,69,870 units of ₹ 32.8705 each)	-	516.02
Axis Banking & PSU Debt Fund - Direct Plan - Growth - 3,17,583.381 units of ₹ 2453.8381 each (31 <sup>st</sup> March, 2023 - 3,99,401.665 units of each ₹ 2288.5724)	<b>7,792.98</b>	9,140.60
Bandan Banking & PSU Debt Fund - Direct Plan - Growth - 65,32,593.212 units of ₹ 22.9048 each (31 <sup>st</sup> March, 2023 - 3,25,81,564 units of ₹ 21.3529 each)	<b>1,496.28</b>	6,957.11
Nippon India Arbitrage Fund - Direct Growth Plan - nil (31 <sup>st</sup> March, 2023 - 61,66,826.829 units of ₹ 24.1388 each)	-	1,488.60
SBI Magnum Ultra Short Duration Fund Direct Growth - 18,071.603 units of ₹ 5542.0577 each (31 <sup>st</sup> March, 2023 - 1,26,767.310 units of ₹ 5,158.4197 each)	<b>1,001.54</b>	6,539.19
Bandan Coporate Bond Fund Direct Growth - 3,06,60,171.091 units of ₹ 17.8210 each (31 <sup>st</sup> March, 2023 - 3,06,60,171.091 units of ₹ 16.6022 each)	<b>5,463.95</b>	5,090.09
ICICI Pru Corporate Bond Fund Direct Growth : 2,33,28,738.974 units of ₹ 28.1456 each (31 <sup>st</sup> March, 2023 - 2,33,28,738.974 units of ₹ 26.0278 each)	<b>6,566.01</b>	6,071.83

## Notes forming part of the Financial Statements

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

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
HDFC Corporate Bond Fund Direct Growth - 1,94,78,542.345 units of ₹ 29.8835 each (31 <sup>st</sup> March, 2023 - 1,94,78,542,345 units of ₹ 27.6193 each)	5,820.87	5,379.84
Aditya Birla S. L. Floating Rate Debt Fund Direct Growth: 10,78,576.43 units of ₹ 323.4383 each (31 <sup>st</sup> March 2023: 10,78,576.43 units of ₹ 299.2125 each)	3,488.53	3,231.27
HDFC Floating Rate Debt Fund Direct Growth: 71,35,334.839 units of ₹ 45.8559 each (31 <sup>st</sup> March, 2023 : 71,35,334.839 units of ₹ 42.3701 each)	3,271.97	3,023.25
SBI Liquid Fund Direct Growth: nil (31 <sup>st</sup> March, 2023: 1,17,220.180 units of ₹ 3,523.303 each)	-	4,130.02
SBI Savings Fund Direct Plan Growth: nil (31 <sup>st</sup> March, 2023: 54,96,254.129 units of ₹ 37.5713 each)	-	2,065.01
Aditya Birla S. L. Nifty SDL Plus PSU Bond Sept 2026 50:50 Index Fund Direct Growth: 47,74,124.871 units of ₹ 11.2477 each (31 <sup>st</sup> March, 2023: 47,74,124.871 units of ₹ 10.488 each)	536.98	500.71
Aditya Birla S. L. Corporate Bond Fund Direct Growth: 10,47,117.406 Units of ₹ 103.2453 each (31 <sup>st</sup> March, 2023 : 10,47,117.406 units of ₹ 95.61 each)	1,081.10	1,001.10
Bandan Crisil IBX Gilt April 2028 Index Lumpsum Fund Direct Plan - Growth : 91,37,471.01 units of ₹ 11.7754 each (31 <sup>st</sup> March, 2023: 91,37,471.01 units of ₹ 10.9493 each)	1,075.97	1,000.49
SBI CPSE Bond Plus SDL Sep 2026 50:50 Index Fund Direct: 48,07,775.535 units of ₹ 11.1675 each (31 <sup>st</sup> March, 2023: 48,07,775.535 units of ₹ 10.4153 each)	536.91	500.74
Bandan Arbitrage Fund - Regular Growth : 21,96,947.268 units of ₹ 29.7724 each (31 <sup>st</sup> March, 2023: nil)	654.08	-
TATA Arbitrage Fund Regular Ask Growth : 87,85,873.941 units of ₹ 13.1806 each (31 <sup>st</sup> March, 2023: nil)	1,158.15	-
<b>Total b (i)</b>	<b>39,945.32</b>	<b>56,635.87</b>
Investments in Non Convertible Debentures (quoted) - Current		
5.23% LIC Housing July 2023 : nil (31 <sup>st</sup> March 2023: 100 nos)	-	1,036.01
5.40% HDFC Aug 2023 : nil (31 <sup>st</sup> March 2023 : 100 nos)	-	1,035.41
5.70% Bajaj Finance Aug 2023 : nil (31 <sup>st</sup> March 2023 : 100 nos)	-	1,037.60
7.2871% HDB Financials July 2023 : nil (31 <sup>st</sup> March 2023: 200 nos)	-	2,110.41
8.00% Reliance Industries Ltd. - 09 <sup>th</sup> April 2023: nil (31 <sup>st</sup> March 2023: 100 nos)	-	1,078.59
8.00% Reliance Industries Ltd. - 16 <sup>th</sup> April 2023: nil (31 <sup>st</sup> March 2023: 100 nos)	-	1,077.91
Housing Development Finance Corporation SR V-006 7.99 NCD: 100 nos (31 <sup>st</sup> March 2023: nil)	1,058.47	-
<b>Total b (ii)</b>	<b>1,058.47</b>	<b>7,375.93</b>



# Notes forming part of the Financial Statements

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

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Term deposit with Financial Institutions:		
Term deposit with LIC of India	5,173.06	4,084.23
Term deposit with Bajaj Finance Limited	7,322.81	8,946.69
<b>Total b (iii)</b>	<b>12,495.87</b>	<b>13,030.92</b>
<b>Total b(i+ii+iii)</b>	<b>53,499.66</b>	<b>77,042.72</b>
Aggregate amount of quoted investments and market value thereof	41,003.79	64,011.80
Aggregate amount of unquoted investments	12,495.87	13,030.92
<b>Total</b>	<b>53,499.66</b>	<b>77,042.72</b>

## 7 Loans

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>a Non Current</b>		
Unsecured, considered good		
Loans to employees	219.48	182.88
<b>Total</b>	<b>219.48</b>	<b>182.88</b>
<b>b Current</b>		
Unsecured, considered good		
Loans to employees	115.78	86.02
<b>Total</b>	<b>115.78</b>	<b>86.02</b>

## 8 Other Financial Assets

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Non Current</b>		
Unsecured, considered good		
Security deposits	729.45	668.78
<b>Total</b>	<b>729.45</b>	<b>668.78</b>

## 9 Other Assets

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>a Non Current</b>		
Unsecured, considered good		
Taxes paid under protest	3.27	2.94
Unsecured, considered doubtful		
Capital Advances	711.71	846.05
Less: Provision for Bad and doubtful advances	(16.00)	(16.00)
	<b>698.98</b>	<b>832.99</b>

## Notes forming part of the Financial Statements

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

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>b Current</b>		
Unsecured, considered good		
Prepaid expenses	382.51	397.95
Advance for expenses	149.72	94.27
Export Incentives Receivables	1.10	0.77
RODTEP scripts on hand	88.43	329.98
GST Receivable	25.26	0.12
Advance to suppliers	153.78	573.12
Interest accrued on electricity deposits	36.57	33.20
PT Thai Union Kharisma Lestari	11.44	11.96
<b>Total</b>	<b>848.81</b>	<b>1,441.37</b>

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

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Raw materials		
- in godown	53,176.59	46,498.29
- stock in transit	-	724.87
Packing materials	716.97	512.03
Work-in-progress	562.59	809.21
Finished goods	10,017.20	5,109.14
Stores and spares	1,803.91	2,297.67
Stores and spares - in transit	-	68.67
<b>Total</b>	<b>66,277.26</b>	<b>56,019.88</b>

### 10 b)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Biological Assets (Refer note below)</b>		
<b>Note:</b>		
Brood stock	53.13	-
Post Larval	62.37	123.07
<b>Total</b>	<b>115.50</b>	<b>123.07</b>
<b>Reconciliation of changes in the carrying amount of biological assets:</b>		
Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
As at beginning of the year	123.07	84.14
Increase due to purchase/production/physical change	1,809.21	1,769.93
Decrease due to Physical change/ sales	1,816.78	1,731.00
Net change in the Fair value less estimated cost to sell	115.50	123.07

# Notes forming part of the Financial Statements

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

## 11 Trade Receivables

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>a Billed</b>		
<b>Secured</b>		
<b>Undisputed</b>		
Considered good	1,179.58	2,490.56
Considered doubtful	-	-
<b>Disputed</b>		
Considered good	148.31	148.31
Considered doubtful	-	-
Credit Impaired	-	-
<b>Unsecured</b>		
Considered good	2,607.31	3,643.06
Considered doubtful	-	-
	<b>3,935.20</b>	<b>6,281.93</b>
Less: Expected credit loss	-	-
<b>Total (a)</b>	<b>3,935.20</b>	<b>6,281.93</b>
<b>b Unbilled:</b>	<b>5.00</b>	<b>9.92</b>
<b>Total (b)</b>	<b>5.00</b>	<b>9.92</b>
<b>Total (a+b)</b>	<b>3,940.20</b>	<b>6,291.85</b>

Ageing for trade receivables - billed current outstanding as at 31<sup>st</sup> March, 2024 is as follows:

Particulars	outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – secured - considered good	2,607.31	-	-	-	-	2,607.31
Undisputed trade receivables – Unsecured - considered good	1,179.57	-	-	-	-	1,179.57
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	148.31	148.31
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-
	3,786.88	-	-	-	148.31	3,935.20
Trade receivables - unbilled	5.00	-	-	-	-	5.00
<b>Total</b>	<b>3,791.88</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>148.31</b>	<b>3,940.20</b>

## Notes forming part of the Financial Statements

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

Ageing for trade receivables - billed current outstanding as at 31<sup>st</sup> March, 2023 is as follows:

Particulars	outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – secured - considered good	1,619.39	871.17	-	-	-	2,490.56
Undisputed trade receivables – unsecured - considered good	2,516.25	1,100.84	8.80	17.17	-	3,643.06
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	148.31	148.31
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-
	<b>4,135.64</b>	<b>1,972.01</b>	<b>8.80</b>	<b>17.17</b>	<b>148.31</b>	<b>6,281.93</b>
Trade receivables - unbilled	9.92	-	-	-	-	9.92
<b>Total</b>	<b>4,145.56</b>	<b>1,972.01</b>	<b>8.80</b>	<b>17.17</b>	<b>148.31</b>	<b>6,291.85</b>

### 12 a) Cash and cash equivalents

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Balances with banks:</b>		
- in current accounts	718.97	2,375.36
Cash in hand	8.52	2.71
<b>Total</b>	<b>727.49</b>	<b>2,378.07</b>

### 12 b) Other bank balances

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Current:</b>		
- Fixed deposit Accounts ( Maturity more than 3 months)	57,955.62	20,200.25
- Unpaid dividend accounts	174.53	199.84
- Margin money accounts *	113.65	68.22
- Unspent CSR Accounts	412.86	172.86
<b>Total</b>	<b>58,656.66</b>	<b>20,641.17</b>

**\* Margin money deposits given as security**

Margin Money deposits with bank of a carrying amount of ₹ 113.65 Lakhs (31<sup>st</sup> March, 2023: ₹ 68.22 lakhs) are lien marked for BG & import L.C.s.

# Notes forming part of the Financial Statements

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

## 13 Equity share capital

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Authorised share capital:</b>		
15,85,00,000 equity shares of Re. 1/- each (31 <sup>st</sup> March, 2023: 15,85,00,000 equity shares of ₹ 1/- each)	<b>1,585.00</b>	1,585.00
<b>Issued, subscribed and fully paid up capital:</b>		
13,62,45,630 equity shares of ₹ 1/- each (31 <sup>st</sup> March, 2023: 13,62,45,630 equity shares of ₹ 1/- each)	<b>1,362.46</b>	1,362.46
<b>Total</b>	<b>1,362.46</b>	<b>1,362.46</b>

Notes:

### a. Reconciliation of the number of shares outstanding:

Particulars	No. of shares	Amount
<b>Balance at 1<sup>st</sup> April, 2022</b>	<b>13,62,45,630</b>	<b>1,362.46</b>
Shares issued during the year	-	-
<b>Balance at 31<sup>st</sup> March, 2023</b>	<b>13,62,45,630</b>	<b>1,362.46</b>
Shares issued during the year	-	-
<b>Balance at 31<sup>st</sup> March, 2024</b>	<b>13,62,45,630</b>	<b>1,362.46</b>

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

Name of the shareholder	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	Number of shares held	% holding of equity shares	Number of shares held	% holding of equity shares
<b>Equity shares of Re. 1/- each fully paid up (31<sup>st</sup> March, 2023: ₹ 1/- each)</b>				
<b>1 Srinivasa Cystine Private Limited</b>	<b>3,62,99,115</b>	<b>26.64</b>	3,62,99,115	26.64
<b>2 Thai Union Group Public Company Limited</b>	<b>2,10,30,630</b>	<b>15.44</b>	2,10,30,630	15.44
<b>3 Thai Union Asia Investment Holding Limited</b>	<b>1,19,54,826</b>	<b>8.77</b>	1,19,54,826	8.77
<b>4 Alluri Indra Kumar</b>	<b>83,30,700</b>	<b>6.11</b>	83,30,700	6.11
<b>5 Alluri Indra Kumar (HUF)</b>	<b>81,89,250</b>	<b>6.01</b>	81,89,250	6.01

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

### c. Rights attached to equity shares:

The Company has only one class of equity shares having par value of Re. 1/- per share (31<sup>st</sup> March, 2023: ₹ 1/- per share). Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

## Notes forming part of the Financial Statements

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

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

### d. Equity shares movement during the 5 years preceding 31<sup>st</sup> March, 2024 on account of Equity shares issued as bonus

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

### e. Details of share holding of promoters:

Name of the promoter	As at 31 <sup>st</sup> March, 2024			As at 31 <sup>st</sup> March, 2023		
	Shares held by promoter			Shares held by promoter		
	No. of shares	% of total shares	% change during the year	No. of shares	% of total shares	% change during the year
Nuthakki Ram Prasad	2,29,701	0.17	-	2,29,701	0.17	-
Alluri Indra Kumar HUF	81,89,250	6.01	-	81,89,250	6.01	-
Sanjeev Agrovat Private Limited	42,35,265	3.11	-	42,35,265	3.11	-
Srinivasa Cystine Private Limited	3,62,99,115	26.64	-	3,62,99,115	26.64	-
Sudha Vadlamudi	37,500	0.03	-	37,500	0.03	-
Amar Kumar Chukkapall	-	-	(100.00)	37,500	0.03	-
Vijaya Kumar Chukkapalli	18,750	0.01	-	18,750	0.01	-
Katneni Jagan Mohan Rao	37,500	0.03	-	37,500	0.03	-
N Naga Ratna	95,022	0.07	-	95,022	0.07	-
Indra Kumar Alluri	83,30,700	6.11	-	83,30,700	6.11	-
Ratna Manikyamba Katneni	37,500	0.03	-	37,500	0.03	-
Arun Kumar Chukkapalli	18,750	0.01	-	18,750	0.01	-
Venkata Sanjeev Alluri	7,10,700	0.52	-	7,10,700	0.52	-
Alluri Nikhilesh Chowdary	6,91,650	0.51	-	6,91,650	0.51	-
<b>Total</b>	<b>5,89,31,403</b>	<b>43.25</b>	<b>(100.00)</b>	<b>5,89,68,903</b>	<b>43.28</b>	<b>-</b>

# Notes forming part of the Financial Statements

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

## 14 Other equity

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
General reserve	27,565.72	25,065.72
Retained earnings	1,69,596.87	1,49,921.56
<b>Total Other Equity</b>	<b>1,97,162.59</b>	<b>1,74,987.28</b>
<b>General Reserve</b>		
Balance at beginning of year	25,065.72	22,565.72
Transferred from Surplus in Retained earnings	2,500.00	2,500.00
<b>Balance at end of year</b>	<b>27,565.72</b>	<b>25,065.72</b>
<b>Retained earnings</b>		
Balance at beginning of year	1,49,921.56	1,37,679.51
Profit attributable to owners of the Company	30,805.65	23,284.42
Other comprehensive income	(114.99)	(27.02)
Transfer to general reserve	(2,500.00)	(2,500.00)
Dividend declared during the year	(8,515.35)	(8,515.35)
<b>Balance at end of year</b>	<b>1,69,596.87</b>	<b>1,49,921.56</b>

### General Reserve

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

### Securities premium:

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

## 15 Other financial liabilities

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>a Non - Current</b>		
Security deposits*	372.00	372.00
<b>Total</b>	<b>372.00</b>	<b>372.00</b>
<b>b Current</b>		
Unpaid dividend	174.53	199.84
Creditors for capital works	54.64	49.70
Provision for over dues	48.78	-
<b>Total</b>	<b>277.95</b>	<b>249.54</b>

\*Security Deposits taken from dealers for supplying them shrimp feed on credit term. These deposits carry an interest of @ 9% per annum (31<sup>st</sup> March, 2023: 9% p.a.)

# Notes forming part of the Financial Statements

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

## 16 Provisions

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Provisions (refer note 35)</b>		
Provision for gratuity	185.92	123.43
Provision for leave encashment	79.32	53.84
<b>Total</b>	<b>265.24</b>	<b>177.27</b>
a Non - Current portion	-	-
b Current portion	265.24	177.27
<b>Total</b>	<b>265.24</b>	<b>177.27</b>

## 17 Other Liabilities

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Current</b>		
Advance from customers	1,376.51	2,922.85
Statutory dues	309.56	272.39
<b>Total</b>	<b>1,686.07</b>	<b>3,195.24</b>

## 18 Current borrowings

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Secured:</b>		
Working capital loan from State Bank of India	-	-
Working capital loan from HDFC Bank	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

The working capital limits, sanctioned by State Bank of India (SBI) and HDFC Bank as at 31<sup>st</sup> March, 2024, are ₹ 3,000.00 Lakhs and ₹ 2,000.00 Lakhs, respectively (31<sup>st</sup> March, 2023: ₹ 3,000.00 Lakhs and ₹ 2,000.00 Lakhs respectively).

The working capital limits from SBI is secured by first charge on all current assets, Collateral First charge on Property, Plant and Equipment of the company. The same is repayable on demand and carries interest @ 8.70% p.a.

The working capital limits from HDFC Bank is secured by first charge on all current assets, Collateral First charge on Property, Plant and Equipment of the company. The same is repayable on demand and carries interest @ 9.25% p.a.

Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts

Note: Debit balance in cash credit accounts as on 31<sup>st</sup> March, 2024 (and 31<sup>st</sup> March, 2023) have been grouped under the head "Cash and Cash equivalents"



# Notes forming part of the Financial Statements

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

## 19 Trade payables

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Dues to micro enterprises and small enterprises (Refer Note below)	<b>2,992.57</b>	946.53
Dues to creditors other than micro enterprises and small enterprises	<b>24,220.14</b>	23,299.69
Disputed dues MSME	-	-
Disputed dues others	-	-
	<b>27,212.71</b>	<b>24,246.22</b>

### Dues to micro and small enterprises:

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

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Principal amount remaining unpaid to any supplier as at the end of the accounting year	<b>2,992.57</b>	946.53
Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

### Ageing for trade payables outstanding as at 31<sup>st</sup> March, 2024 is as follows:

Particulars	outstanding for following periods from due date of payment				Total
	Less than one year	1-2 years	2-3 years	More than 3 years	
<b>Trade payables</b>					
MSME	2,992.57	-	-	-	<b>2,992.57</b>
Others	5,183.87	-	-	-	<b>5,183.87</b>
Disputed dues - MSME	-	-	-	-	-
Disputed dues - others	-	-	-	-	-
Accrued expenses	-	-	-	-	<b>19,036.27</b>
<b>Total</b>	<b>8,176.44</b>	-	-	-	<b>27,212.71</b>

# Notes forming part of the Financial Statements

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

Ageing for trade payables outstanding as at 31<sup>st</sup> March, 2023 is as follows:

Particulars	outstanding for following periods from due date of payment				Total
	Less than one year	1-2 years	2-3 years	More than 3 years	
<b>Trade payables</b>					
MSME	946.53	-	-	-	946.53
Others	9,128.75	-	-	-	9,128.75
Disputed dues - MSME	-	-	-	-	-
Disputed dues - others	-	-	-	-	-
Accrued expenses	-	-	-	-	14,170.94
<b>Total:</b>	<b>10,075.28</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24,246.22</b>

Commission to whole time directors and non whole time directors included in accrued expenses will be paid after approval of books of accounts at the ensuing A.G.M.

## 20 Income Taxes

### 20 a) Deferred taxes

For the year ended 31<sup>st</sup> March, 2024

Particulars	Opening Balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing balance
Deferred tax liabilities/(assets) in relation to				
Depreciation and amortisation	616.17	(143.96)	-	472.21
Fair valuation of Investments	1,200.91	271.13	-	1,472.04
Lease Liabilities	(28.30)	6.65	-	(21.65)
Others	0.43	0.81	-	1.24
<b>Total</b>	<b>1,789.21</b>	<b>134.63</b>	<b>-</b>	<b>1,923.84</b>

For the year ended 31<sup>st</sup> March, 2023

Particulars	Opening Balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing balance
<b>Deferred tax liabilities/(assets) in relation to</b>				
Depreciation and amortisation	573.68	42.49	-	616.17
Fair valuation of Investments	1,131.72	69.19	-	1,200.91
Lease Liabilities	(46.74)	18.44	-	(28.30)
Others	0.17	0.26	-	0.43
<b>Total</b>	<b>1,658.83</b>	<b>130.38</b>	<b>-</b>	<b>1,789.21</b>

# Notes forming part of the Financial Statements

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

## 20 b) Non-current Tax Assets

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Non-current tax assets (net of provision for tax)	1,849.09	1,244.63
<b>Total</b>	<b>1,849.09</b>	<b>1,244.63</b>

## 20 c) Tax expense recognised in Statement of Profit and Loss

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Current tax</b>		
In respect of the current year	9,608.31	7,442.83
In respect of the earlier years	151.55	(176.73)
	<b>9,759.86</b>	<b>7,266.10</b>
<b>Deferred tax</b>		
In respect of the current year	134.62	130.38
	<b>134.62</b>	<b>130.38</b>
<b>Total tax expense</b>	<b>9,894.48</b>	<b>7,396.48</b>

## 20 d) Tax Expense recognised in Other comprehensive income

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Deferred tax		
In respect of the current year	-	-
	<b>-</b>	<b>-</b>

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

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Profit before tax	40,585.14	30,653.88
Income tax expense calculated at 25.168%	10,214.47	7,714.97
Impact of expenses that are not deductible (taxable) in determining taxable profit		
Deduction u/s 80M	(123.28)	(115.82)
Interest on Income tax	-	0.64
Corporate Social Responsibility & Donations	143.23	156.39
Earlier taxes	151.55	(176.73)
Others	(491.49)	(182.97)
<b>Income tax expense recognised in profit or loss</b>	<b>9,894.48</b>	<b>7,396.48</b>

## Notes forming part of the Financial Statements

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

### 21 Revenue from operations

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the Year Ended 31 <sup>st</sup> March, 2023
<b>Sale of Products (Manufactured)</b>		
Finished goods - Domestic - Billed	4,27,323.99	4,03,418.52
Finished goods - Domestic - Unbilled	5.00	9.92
Finished goods - Exports	1,697.10	706.07
<b>Other Operating Revenue</b>		
Export Incentives	2.39	1.00
<b>Total</b>	<b>4,29,028.48</b>	<b>4,04,135.51</b>
Reconciliation of Revenue from sale of products with contracted price		
<b>Contracted Price</b>	<b>5,32,779.68</b>	4,99,682.52
Less : Sales Returns	(88.49)	(185.27)
Less : Trade and other Discounts	(1,03,665.10)	(95,362.74)
<b>Sale of Products</b>	<b>4,29,026.09</b>	<b>4,04,134.51</b>
<b>Finished goods sold</b>		
Shrimp Feed		
i) Domestic	4,25,611.22	4,01,675.40
ii) Exports	1,697.10	706.07
Shrimp Seed	1,550.88	1,588.41
Power	163.15	160.50
Other sales	3.74	4.13
<b>Total</b>	<b>4,29,026.09</b>	<b>4,04,134.51</b>

### 22 Other income (net)

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the Year Ended 31 <sup>st</sup> March, 2023
Interest Income on Financial Assets carried at amortized cost:		
Bank deposits	4,938.78	1,319.73
Secured Bonds	-	-
Non - convertible debentures	463.54	939.02
Others	40.64	33.21
Dividend Income:		
Received from Subsidiaries	450.75	300.50
Received from Associates	37.26	159.68
Received from others	1.83	-
Net gain on sale of investments:		
On sale of non-convertible debentures	-	161.85
On sale of Mutual Funds	2,999.18	2,418.00
MTM gain on investments carried at fair value through profit or loss	1,080.49	279.97
Net Foreign exchange gain / (loss)	94.92	231.79
Profit on sale of Assets	2.52	-
Miscellaneous income	427.81	431.30
<b>Total</b>	<b>10,537.72</b>	<b>6,275.05</b>

# Notes forming part of the Financial Statements

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

## 23 Cost of materials consumed

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the Year Ended 31 <sup>st</sup> March, 2023
Inventory at the beginning of the year	47,735.20	62,149.61
Add: Purchases	3,71,478.14	3,33,190.16
	4,19,213.34	3,95,339.77
Less: Inventory at the end of the year	53,893.56	47,735.20
Cost of materials consumed	3,65,319.78	3,47,604.57
<b>Purchase of bearer biological Assets:</b>		
Purchase brood stock	258.33	181.52
<b>Total</b>	<b>258.33</b>	<b>181.52</b>

## 24 Changes in inventories of finished goods, work-in-progress and Biological Assets

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the Year Ended 31 <sup>st</sup> March, 2023
<b>Closing Stock:</b>		
Finished goods	10,017.20	5,109.14
Work-in-progress	562.59	809.21
Biological assets	115.50	123.07
	10,695.29	6,041.42
<b>Opening Stock:</b>		
Finished goods	5,109.14	2,004.72
Work-in-progress	809.21	634.26
Biological assets	123.07	84.14
	6,041.42	2,723.12
<b>Net( increase) /decrease</b>	<b>(4,653.87)</b>	<b>(3,318.30)</b>

## 25 Employee benefits expense

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the Year Ended 31 <sup>st</sup> March, 2023
Salaries, wages and bonus	14,272.07	12,020.22
Contribution to provident and other funds	698.58	603.31
Gratuity expense (Refer Note 35)	224.98	193.01
Staff welfare expenses	282.57	256.52
<b>Total</b>	<b>15,478.20</b>	<b>13,073.06</b>

## 26 Finance costs

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the Year Ended 31 <sup>st</sup> March, 2023
Interest expense		
- Interest on bank overdrafts and loans	7.23	0.18
- Interest on Lease Liability	7.59	12.61
Other borrowing costs	39.54	61.61
<b>Total</b>	<b>54.36</b>	<b>74.40</b>

## Notes forming part of the Financial Statements

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

### 27 Depreciation and amortisation expense

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the Year Ended 31 <sup>st</sup> March, 2023
Depreciation of property, plant and equipment	3,191.30	2,229.84
Depreciation of ROU Assets	43.86	68.84
Amortisation of intangible assets	2.91	3.51
<b>Total</b>	<b>3,238.07</b>	<b>2,302.19</b>

### 28 Other expenses

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the Year Ended 31 <sup>st</sup> March, 2023
Rent (refer note (i)) below	259.48	244.31
Power & fuel	6,555.86	6,551.96
Repairs & maintenance		
- Buildings	552.30	195.60
- Plant & machinery	166.45	101.76
- Others	24.74	13.77
Consumable stores	1,732.85	2,441.57
Other manufacturing expenses	3,223.07	3,634.29
Rates & taxes	251.36	318.89
Insurance	314.56	363.35
Electricity charges	10.34	10.22
Vehicle maintenance	153.84	144.55
Travelling & conveyance	894.27	846.22
Communication costs	61.52	50.70
Printing & stationery	46.59	44.33
Directors' sitting fees	47.60	43.60
Auditors Remuneration:		
As Auditors	35.40	35.40
Other Services	4.72	7.08
Reimbursement of expenses	7.83	8.98
Professional charges	252.66	197.92
Corporate Social Responsibility (refer note 32)	569.10	621.38
Donations	4.16	0.05
Bank charges	59.04	77.63
Assets written off	10.12	10.90
Advertisement charges	74.54	11.26
Carriage outward	217.43	335.23
Marketing expenses	1,877.25	1,836.91
Royalty	894.62	964.30
Loss on sale of Fixed Assets	-	0.85
Commission on profits to Non executive Directors	100.00	100.00
General expenses	769.50	599.21
<b>Total</b>	<b>19,171.20</b>	<b>19,812.22</b>

**Notes:**

**i) Operating leases:**

Lease payments made under operating leases aggregating to ₹ 259.48 Lakhs (31<sup>st</sup> March, 2023: ₹ 244.31 Lakhs) have been recognized as an expense in the Statement of Profit and Loss. The future minimum lease commitments under non-cancellable operating leases are Nil .

# Notes forming part of the Financial Statements

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

## 29 Earnings per share

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the Year Ended 31 <sup>st</sup> March, 2023
Profit after Tax (PAT)(A)	<b>30,805.65</b>	23,284.42
Weighted average number of equity shares for Basic EPS (B)	<b>13,62,45,630</b>	13,62,45,630
Basic earnings per share (A/B)	<b>22.61</b>	<b>17.09</b>
<b>Note:</b> There is no dilution to the Basic Earnings per Share as there are no dilutive potential equity shares.		

## 30 Contingent Liabilities

Particulars				As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Demands raised by customs, service tax, sales tax, income tax and other authorities, being disputed by the Company*				<b>113.71</b>	102.27
* Details of demands raised by customs, service tax, sales tax, income tax and other authorities :					
Name of the Statute	Nature of the Dues	Amount	Period to which the amount relates	Forum where dispute is pending	
Madhya Pradesh VAT Act, 2002	Sales tax (MP VAT demand for soya transactions in 2005-06)	29.22	2005-2006	High Court of Madhya Pradesh	
Customs Act, 1962	Customs duty	60.82	2009 -2010 to 2011-2012	CESTAT, Chennai	
Income tax Act, 1961	Income tax	12.23	2013-2014	Commissioner Appeals, Income tax, Hyderabad	
Customs Act, 1962	Customs duty	11.44	2017-2018 & 2018-2019	The Commissioner of Customs (Appeals), JNCH- Navaseva, Mumbai	
<b>Total</b>		<b>113.71</b>			

- (i) The Company purchased soya bean in the year 2004-05, converted the same in to DOC in 2005-06 and used some part for own consumption in manufacturing of shrimp feed and some part was exported. The resultant soya oil was sold locally. The Sales Tax Act pertaining to soya bean processing and soya oil sale was amended with effect from 13<sup>th</sup> December, 2004 and Commercial Tax department took the view that the soya bean purchased prior to 13<sup>th</sup> December, 2004 will attract tax at old rates and a demand to ₹ 29.22 Lakhs was raised. This is being contested by the Company in the High Court of Madhya Pradesh.
- (ii) Company is importing Squid Liver Powder (SLP) which was one of the raw materials for manufacturing of shrimp feed. SLP was imported by the Company under raw material classification. However, Customs has disputed our claim and demanding duty applicable for import of complete feed. Company appealed against the order of CESTAT, Chennai, before Madras High Court.

The Company is contesting the demands and the management, including its tax advisors, believe that its position will likely be upheld in the appellate process. No tax expense has

## Notes forming part of the Financial Statements

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

been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Company's financial position and results of operations.

- iii) The Income Tax Department has completed the assessment for the assessment year 2013-14 and has raised an additional demand of ₹ 12.23 Lakhs which the Company has contested and filed an appeal with the Commissioner of Appeals, Income Tax.
- iv) The Company has purchased spares like pellet dies etc. in the year 2017-2018 & 2018-2019 under stores & spares classification and paid IGST @ 12%. In the year 2022-23 customs has reclassified these items and charged IGST @ 18% and asked the Company to pay differential tax along with Interest. The Company has paid the differential amount of GST along with interest and asked waiver for fine and penalty. But the customs department has raised a fine ₹ 7,00,000/- and penalty 4,44,140/-. Aggrieved by the demand the Company has filed an appeal with the Commissioner of Customs ( Appeals), Maharashtra.

The Company is contesting these demands and believes that its position will likely be upheld in the appellate process. Accordingly, the Company has not accounted the fine and penalty raised by the GST authorities. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Company's financial position and results of operations.

### 31 Capital Commitments

Estimated amount of capital contracts remaining to be executed to the extent not provided for (net of advances) ₹ 275.84 Lakhs (31<sup>st</sup> March, 2023: ₹ 1,673.96 Lakhs).

### 32 Corporate Social Responsibility Expenditure

During the year, the amount required to be spent on corporate social responsibility activities amounted to ₹ 569.10 Lakhs (31<sup>st</sup> March 2023 : ₹ 621.38 Lakhs) in accordance with Section 135 of the Act. The following amounts were actually spent during the current & previous year:

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>i Details of corporate social responsibility expenditure:</b>		
A Amount required to be spent during the year	<b>569.10</b>	621.38
B Amount spent during the year		
1 Construction/acquisition of any asset	-	-
2 Purpose other than (1) above	<b>269.10</b>	448.52
C Shortfall at the end of the year (refer note below)	<b>300.00</b>	172.86
D Total including previous years shortfall	<b>412.86</b>	172.86
E Reason for shortfall	Pertaining to ongoing projects Promoting Education, Healthcare, Rural Development, Disaster relief, Technological advancement.	
F Nature of CSR activities		
G Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard: Contribution to Avanti Foundation in relation to CSR expenditure	<b>276.53</b>	293.00

Note:

- (i) ₹ 300.00 lakhs remained unutilised for the financial year 2023-24 (31<sup>st</sup> March, 2023: ₹ 172.86 Lakhs), which has been subsequently deposited in unspent CSR Account.
- (ii) ₹ 172.86 Lakhs remained unutilised for the financial year 2022-23, out of which ₹ 60.00 Lakhs has been spent subsequently in the financial year 2023-24..



# Notes forming part of the Financial Statements

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

## 33 Related party disclosures

### 1. Names of related parties and related party relationship:

Related parties where control exists	
<b>Subsidiary Companies</b>	Avanti Frozen Foods Private Limited Srivathsa Power Projects Private Limited Avanti Pet Care Private Limited
<b>Key Managerial Personnel (KMP)</b>	<b>Whole time directors:</b> Dr. A. Indra Kumar, Chairman and Managing Director Sri C. Ramachandra Rao, Joint Managing Director, Company Secretary and CFO Sri A. Venkata Sanjeev, Executive Director
<b>Non whole time directors</b>	Sri J.V. Ramudu Sri N. Ram Prasad Sri NVDS Raju Sri Bunluesak Sorajjakit Sri Peerasak Boonmechote Smt. K. Kiranmayee Sri V. Narsi Reddy Sri G. Sudarsan Babu, IAS
<b>Relatives of Key Managerial Personnel</b>	Sri A. Nikhilesh Chowdary
<b>Associate Companies</b>	Patikari Power Private Limited
<b>Entities over which KMP has significant influence</b>	Sanjeev Agro -Vet Private Limited  Sri Sai Srinivasa Agro Farms & Developers LLP Avanti Foundation A.V.R. Trust C.R. Reddy College Sakuntala Professional Associates LLP Nava Limited
<b>Entities having significant influence over the Company</b>	Srinivasa Cystine Private Limited Thai Union Feed Mill Co. Ltd., Thailand Thai Union Group Public Co. Ltd. Thai Union Asia Investment Holding Co. Ltd.

## Notes forming part of the Financial Statements

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

### 2 Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties:

Particulars	Key Management Personnel		Entities having significant influence over the Company		Subsidiaries		Associated companies		Entities over which KMP has significant influence	
	For the Year Ended		For the Year Ended		For the Year Ended		For the Year Ended		For the Year Ended	
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Whole time directors remuneration	5,501.14	4,423.72	-	-	-	-	-	-	-	-
Non whole time directors sitting fees & commission**	147.60	143.60	-	-	-	-	-	-	-	-
Rent paid	8.53	7.91	4.40	3.67	-	-	-	-	-	21.40
Rent Received	-	-	2.41	2.28	4.33	3.33	-	-	1.55	1.48
Contributions towards corporate social responsibility	-	-	-	-	-	-	-	-	276.53	293.00
Royalty paid	-	-	894.62	964.30	-	-	-	-	-	-
Dividend paid	1,134.50	1,134.50	4,330.29	4,330.29	-	-	-	-	264.70	264.70
Dividend Received	-	-	-	-	450.75	300.50	37.26	159.68	-	-
Power purchase	-	-	-	-	-	758.55	-	-	-	-
Legal Services received	-	-	-	-	-	-	-	-	17.70	8.53
Purchase of MEIS License & others	-	-	-	-	288.76	2,229.67	-	-	-	-
Sale of Goods	-	-	-	-	325.77	185.38	-	-	-	-
Lab services	-	-	-	-	0.70	0.14	-	-	-	-

# Notes forming part of the Financial Statements

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

## Year end Balances

Particulars	Key Management Personnel		Entities having significant influence over the Company		Subsidiaries		Associated companies		Entities over which KMP has significant influence	
	As at		As at		As at		As at		As at	
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Investment	-	-	-	-	13,145.88	10,515.78	1,064.52	1,064.52	-	-
Whole time directors remuneration	<b>4,619.61</b>	3,637.32	-	-	-	-	-	-	-	-
Non whole time directors sitting fees & commission**	<b>100.00</b>	100.00	-	-	-	-	-	-	-	-
Rent deposit received	-	-	<b>0.45</b>	0.45	-	-	-	-	<b>0.24</b>	0.24
Rental deposit paid	-	-	-	-	-	-	-	-	-	-
Royalty	-	-	<b>157.29</b>	179.56	-	-	-	-	-	-
Legal Services payable	-	-	-	-	-	-	-	-	-	-
Advance received from customers	-	-	-	-	-	35.59	-	-	-	-

\*below the rounding off norm adopted by the Company

\*\* Commission to whole time directors and non whole time directors will be paid after approval of books of accounts at the ensuing A.G.M.

## 34 Segment reporting

The Company is engaged in the business of Shrimp feed, Shrimp Hatchery and power generation. The Chairman and Managing Director (CMD) has been identified as the Chief Operating Decision maker (CODM). There are three segments in the Company i.e. Shrimp Feed, Shrimp Hatchery, Wind Mills.

As the Company does not have revenue from any significant external customer amounting to 10% or more of the Company's total revenue, the related information as required under paragraph 34 of Ind AS 108 has not been disclosed.

Shrimp Feed is manufactured & marketed to the farmers, which is used in Aqua culture to grow shrimp.

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

Shrimp Hatchery produces shrimp seed and sold to the aqua farmers.

### Segment Revenue and Results

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

### Segment assets and liabilities

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

## Notes forming part of the Financial Statements

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

Particulars	Shrimp Feed		Wind Mills		Hatchery		Unallocated		Total	
	Year ended 31 <sup>st</sup> March, 2024	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2024	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2024	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2024	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2024	Year ended 31 <sup>st</sup> March, 2023
<b>Revenue</b>										
External Sales	4,27,314.45	4,02,386.60	163.15	160.50	1,550.88	1,588.41	-	-	4,29,028.48	4,04,135.51
Inter-segment sales	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue</b>	<b>4,27,314.45</b>	<b>4,02,386.60</b>	<b>163.15</b>	<b>160.50</b>	<b>1,550.88</b>	<b>1,588.41</b>	<b>-</b>	<b>-</b>	<b>4,29,028.48</b>	<b>4,04,135.51</b>
<b>Segment Result</b>										
Operating Profit	30,417.86	24,411.03	19.80	19.67	(220.89)	49.55	-	-	30,216.77	24,480.25
Other Income	490.07	685.95	-	-	38.00	3.89	10,009.65	5,585.21	10,537.72	6,275.05
Interest Expense	52.84	73.54	-	-	1.52	0.86	-	-	54.36	74.40
Income tax - Current year & previous year	-	-	-	-	-	-	9,759.86	7,266.10	9,759.86	7,266.10
- Deferred Tax	-	-	-	-	-	-	134.62	130.38	134.62	130.38
<b>Net Profit</b>	<b>30,855.09</b>	<b>25,023.45</b>	<b>19.80</b>	<b>19.67</b>	<b>(184.41)</b>	<b>52.58</b>	<b>115.17</b>	<b>(1,811.27)</b>	<b>30,805.65</b>	<b>23,284.43</b>
<b>Other Information</b>										
Segment Assets	1,03,181.78	95,099.67	317.24	508.52	3,435.03	3,402.94	1,23,414.84	1,07,480.56	2,30,348.89	2,06,491.69
Segment Liabilities	23,306.00	23,159.21	38.21	-	100.64	82.31	8,378.99	6,900.40	31,823.84	30,141.92
<b>Capital Employed</b>	<b>79,875.78</b>	<b>71,940.46</b>	<b>279.03</b>	<b>508.52</b>	<b>3,334.39</b>	<b>3,320.63</b>	<b>1,15,035.85</b>	<b>1,00,580.16</b>	<b>1,98,525.05</b>	<b>1,76,349.77</b>

# Notes forming part of the Financial Statements

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

## 35 Employee Benefits

### i) Leave obligations

The leave obligations cover the Company's liability towards earned leave.

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

Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Current leave obligations expected to be settled within the next 12 months	79.32	53.85

### (ii) Defined Contribution Plans

The Company also has certain defined contribution plans. Contributions are made to provident fund (at the rate of 12% of basic salary); Employee State Insurance and Superannuation Fund in India for employees as per regulations. The contributions are made to registered funds administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is ₹ 493.99 Lakhs (31<sup>st</sup> March, 2023 - ₹ 371.88 Lakhs)

### (iii) Defined benefit Plans

#### Gratuity

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

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

Particulars	31 <sup>st</sup> March, 2024		Net amount	31 <sup>st</sup> March, 2023		Net amount
	Present value of obligation	Fair value of plan assets		Present value of obligation	Fair value of plan assets	
Opening balance	2,094.58	1,971.15	123.43	1,774.87	1,740.45	34.42
Current Service Cost	215.70	-	215.70	190.53	-	190.53
Past Service Cost	-	-	-	-	-	-
Interest expense	157.43	-	157.43	127.70	-	127.70
Interest income	-	148.15	(148.15)	-	125.22	(125.22)
Contributions	-	-	-	-	-	-

## Notes forming part of the Financial Statements

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

Particulars	31 <sup>st</sup> March, 2024		Net amount	31 <sup>st</sup> March, 2023		Net amount
	Present value of obligation	Fair value of plan assets		Present value of obligation	Fair value of plan assets	
<b>Total amount recognised in profit or loss</b>	<b>373.13</b>	<b>148.15</b>	<b>224.98</b>	<b>318.23</b>	<b>125.22</b>	<b>193.01</b>
<i>Remeasurements</i>						
<i>Return on plan assets, excluding amounts included in interest expense/(income)</i>	-	8.58	(8.58)	-	1.52	(1.52)
<i>(Gain)/loss from change in demographic assumptions</i>	-	-	-	-	-	-
<i>(Gain)/loss from change in financial assumptions</i>	68.23	-	68.23	(49.79)	-	(49.79)
<i>Experience (gains)/ losses</i>	55.35	-	55.35	78.33	-	78.33
<b>Total amount recognised in other comprehensive income</b>	<b>123.58</b>	<b>8.58</b>	<b>114.99</b>	<b>28.54</b>	<b>1.52</b>	<b>27.02</b>
Employer contributions		277.49	(277.49)		131.01	(131.01)
Benefit payments	(26.83)	(26.83)	-	(27.05)	(27.05)	-
<b>Closing Balance</b>	<b>2,564.46</b>	<b>2,378.54</b>	<b>185.92</b>	<b>2,094.60</b>	<b>1,971.16</b>	<b>123.43</b>

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

Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Present value of funded obligations	<b>2,564.46</b>	2,094.60
Fair value of plan assets	<b>2,378.54</b>	1,971.16
Deficit of funded plan	<b>185.92</b>	123.43
Unfunded plans	-	-
<b>Deficit of gratuity plan</b>	<b>185.92</b>	<b>123.43</b>

### ii) Significant estimates: actuarial assumptions

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

Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Discount rate	7.15%	7.50%
Salary escalation rate	10.00%	10.00%
Employee attrition rate	5.00%	5.00%
Assumptions regarding mortality rate are set based on actuarial advice in accordance with published statistics.	IALM (2012-14) Ult.	IALM (2012-14) Ult.
Normal retirement age	60 years	60 years

# Notes forming part of the Financial Statements

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

## (iii) Sensitivity analysis

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

(₹ In lakhs)

Particulars	Change in assumption			Impact on defined benefit obligation				
				Increase in assumption		Decrease in assumption		
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023		31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023		31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Discount rate	1.00%	1.00%	Decrease by	186.30	150.62	Increase by	218.95	176.81
Attrition rate	50.00%	50.00%	Decrease by	85.71	62.36	Increase by	120.29	87.39
Salary escalation rate	1.00%	1.00%	Increase by	210.73	170.77	Decrease by	183.37	149.65

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

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

## (iv) The major categories of plan assets are as follows

Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Funds managed by SBI Life Insurance Company Limited	2,378.54	1,971.16
<b>Total</b>	<b>2,378.54</b>	<b>1,971.16</b>

## (v) Risk exposure

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

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

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

## vi) Defined benefit liability and employer contributions

Expected contributions to define benefit plans for the year ending 31<sup>st</sup> March, 2025 is ₹ 388.05 lakhs

Particulars	Less than a year	Between 2-5 years	Between 6-10 years	More than 10 years
<b>31<sup>st</sup> March, 2024</b>				
Gratuity	793.26	573.44	878.92	3,241.66
<b>Total</b>	<b>793.26</b>	<b>573.44</b>	<b>878.92</b>	<b>3,241.66</b>

## Notes forming part of the Financial Statements

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

Particulars	Less than a year	Between 2-5 years	Between 6-10 years	More than 10 years
<b>31<sup>st</sup> March, 2023</b>				
Gratuity	629.92	462.26	776.76	2,809.62
<b>Total</b>	<b>629.92</b>	<b>462.26</b>	<b>776.76</b>	<b>2,809.62</b>

### 36 Fair value measurements

Financial instruments by category	31 <sup>st</sup> March, 2024		31 <sup>st</sup> March, 2023	
	Amortised Cost	FVPL	Amortised Cost	FVPL
<b>Financial Assets</b>				
Investments				
- in equity instruments				
- Quoted	-	6.40	-	3.20
- Unquoted	15,006.17	-	12,376.07	-
- in mutual funds	-	39,945.32	-	56,635.87
- in Secured Bonds	-	-	-	-
- Non Convertible debentures	1,515.21	1,058.47	1,512.81	7,375.93
- In Term deposits	12,495.87	-	13,030.92	-
Trade receivables	3,940.20	-	6,291.85	-
Cash and cash equivalents	727.49	-	2,378.07	-
Other bank Balances	58,656.66	-	20,641.17	-
Loans	335.26	-	268.90	-
Security deposits	729.45	-	668.78	-
<b>Total Financial Assets</b>	<b>93,406.31</b>	<b>41,010.19</b>	<b>57,168.57</b>	<b>64,015.00</b>
<b>Financial Liabilities</b>				
Borrowings	-	-	-	-
Short term borrowings from banks	-	-	-	-
Interest accrued but not due on borrowings	-	-	-	-
Security deposits	372.00	-	372.00	-
Trade payables	27,212.71	-	24,246.22	-
Derivative financial instrument	-	-	-	-
Unpaid dividend	174.53	-	199.84	-
Lease Liabilities	86.03	-	112.45	-
Capital creditors	54.64	-	49.70	-
<b>Total Financial Liabilities</b>	<b>27,899.91</b>	<b>-</b>	<b>24,980.21</b>	<b>-</b>

#### i) Fair value hierarchy

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

The fair value of quoted equity investments, has been classified as Level 1 in the fair value hierarchy as the fair value has been determined on the basis of market value. The fair value of unquoted equity instruments has been classified as Level 2 in the fair value hierarchy as the fair



# Notes forming part of the Financial Statements

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

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

## 37 Financial Risk Management

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

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, trade receivables, security deposits, other bank deposits and loans	Ageing analysis Credit ratings of customers and subsidiaries	Credit monitoring for customers. Diversification of bank deposits.
Liquidity Risk	Borrowings	Cash flow forecasts managed by Joint Managing Director (JMD).	Working capital management by General Manager in under the guidance of Joint Managing Director. The excess liquidity is channelised through mutual funds and bank deposits.
Market Risk - interest rate	Long term borrowings at variable rate	Sensitivity analysis	Capital is managed by Joint Managing Director. The capital requirements are managed by analysing the funds requirement and budgets in conjunction with the strategic plan.
Market Risk - Price risk	From investment in equity shares	Market and price sensitivity analysis.	The portfolio is not large and the risk is not significant.
Market Risk - foreign exchange rate	Future commercial transactions (receivable/payables)	Cash flow forecasting Sensitivity analysis.	Forward foreign exchange contracts.

The Company's risk management is carried out by the JMD under policies approved by the Risk Management Committee a sub-committee of the Board of Directors. The Committee provides guiding principles for overall risk management, as well as policies covering specific areas such as interest rate risk, credit risk and investment of excess liquidity.

### Credit Risk

#### i) Credit Risk Management

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

## Notes forming part of the Financial Statements

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

Credit risk is managed by the Marketing General Manager of the Avanti Feeds Limited. The Company has few customer with most of them being foreign customers. The Company provides a credit period of 60-90 days which is in line with the normal industry practice.

The Marketing GM undertakes the credit analysis of each customer before transacting. The finance team under the guidance of Marketing GM also periodically review the credit rating of the customers and follow up on long outstanding invoices.

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

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

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

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

### ii) Provision for expected credit losses

The 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

# Notes forming part of the Financial Statements

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

Category	Description of category	Basis for recognition of expected credit loss provision		
		Investments	Loans and deposits	Trade receivables
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 a payment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss	Asset is written off		

## Expected credit losses for loans, investments, deposits and other receivables from related parties, excluding trade receivables

### Year Ended March 31, 2024

Particulars	Asset Group	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses - Financial assets for which credit risk has not increased significantly since initial recognition	Other bank balances	58,656.66	0%	-	58,656.66
	Loans and advances	335.26	0%	-	335.26
	Security deposits	729.45	0%	-	729.45

### Year Ended 31<sup>st</sup> March, 2023

Particulars	Asset Group	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses - Financial assets for which credit risk has not increased significantly since initial recognition	Other bank balances	20,641.17	0%	-	20,641.17
	Loans and advances	268.90	0%	-	268.90
	Security deposits	668.78	0%	-	668.78

## Notes forming part of the Financial Statements

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

### Expected credit loss for trade receivables under simplified approach Year ended 31<sup>st</sup> March, 2024

Ageing	Less than 6 months	6 months to one year	1- 2 years	2- 3 years	More than 3 years	Total
Gross carrying amount	3,791.88	-	-	-	148.31	3,940.19
Expected loss rate	0%	0%	0%	0%	0%	
Expected credit loss	-	-	-	-	-	-
Carrying amount of trade receivables (net of impairment)	3,791.88	-	-	-	148.31	3,940.19

### Year ended 31<sup>st</sup> March, 2023

Ageing	Less than 6 months	6 months to one year	1- 2 years	2- 3 years	More than 3 years	Total
Gross carrying amount	4,145.56	1,972.01	8.80	17.17	148.31	6,291.85
Expected loss rate	0%	0%	0%	0%	0%	
Expected credit loss	-	-	-	-	-	-
Carrying amount of trade receivables (net of impairment)	4,145.56	1,972.01	8.80	17.17	148.31	6,291.85

### Liquidity Risk

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

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

### i) Maturities of financial liabilities

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

Contractual cash flows							
31 <sup>st</sup> March, 2024	Carrying amount	Total	0-1 year	1-2 years	2-3 years	3-5 years	More than 5 years
Borrowings	-	-	-	-	-	-	-
Trade payables	27,212.71	27,212.71	27,212.71	-	-	-	-
Derivative financial instrument	-	-	-	-	-	-	-
Capital creditors	54.64	54.64	54.64	-	-	-	-
Security deposits	372.00	372.00	-	-	-	-	372.00
<b>Total</b>	<b>27,639.35</b>	<b>27,639.35</b>	<b>27,267.35</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>372.00</b>

# Notes forming part of the Financial Statements

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

Contractual cash flows							
31 <sup>st</sup> March, 2023	Carrying amount	Total	0-1 year	1-2 year	2-3 years	3-5 years	More than 5 years
Borrowings	-	-	-	-	-	-	-
Trade payables	24,246.22	24,246.22	24,246.22	-	-	-	-
Derivative financial instrument	-	-	-	-	-	-	-
Capital creditors	49.70	49.70	49.20	0.50	-	-	-
Security deposits	372.00	372.00	-	-	-	-	372.00
<b>Total</b>	<b>24,667.92</b>	<b>24,667.92</b>	<b>24,295.42</b>	<b>0.50</b>	<b>-</b>	<b>-</b>	<b>372.00</b>

The Company has sufficient current assets to manage the liquidity risk, if any, in relation to current financial liabilities

## Market Risk - Interest Risk

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

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

Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Variable rate borrowings	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

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

Particulars	31 <sup>st</sup> March, 2024			31 <sup>st</sup> March, 2023		
	Weighted Average Interest rate %	Balance	% of total outstanding payable/ receivable	Weighted Average Interest rate %	Balance	% of total outstanding payable/ receivable
Financial Liabilities						
Current borrowings	-	-			-	

## Sensitivity

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

Particulars	Impact on profit after tax	
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Interest rate - Increases by 100 basis points	-	-
Interest rate - Decreases by 100 basis points	-	-

## Market risk - Price risk

The Company's investments in quoted equity securities is very minimal, hence there is limited exposure to price risk.

# Notes forming part of the Financial Statements

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

## Foreign currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, mainly in the nature of sales denominated in foreign currencies and other expenditures. As a policy, the Company does not hedge any of its exposure to foreign currency. The Company's exposure to foreign currency risk at the end of the reporting period are as follows:

Particulars	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	Amount in Foreign Currency	Amount in Rs. (lakhs)	Amount in Foreign Currency	Amount in Rs. (lakhs)
<b>Trade and other payables</b>				
USD	-	-	4,39,042.64	360.97
Euro	-	-	-	-
<b>Trade Receivables</b>				
USD	1,07,690.00	89.79	1,17,500.00	96.60
Euro	-	-	-	-
Balance in EEFC A/c-USD	105.16	0.09	105.16	0.09
<b>Derivatives outstanding</b>				
<b>Forward contracts</b>				
To buy USD	-	-	-	-
To sell USD	-	-	-	-
<b>Other receivables</b>				
IDR	21,78,91,290.49	11.44	21,78,91,290.49	11.96
<b>Net exposure (Receivable/ (Payable))</b>	<b>21,79,99,085.65</b>	<b>101.32</b>	<b>21,75,69,853.01</b>	<b>(252.31)</b>
<b>Net exposure in USD</b>	<b>1,07,795.16</b>	<b>89.88</b>	<b>(3,21,437.48)</b>	<b>(264.27)</b>

## Sensitivity

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

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Increase in USD rate by 1%	0.90	(2.64)
Decrease in USD rate by 1%	(0.90)	2.64

## 38 Capital management

### a) Risk Management

The Company's objectives when managing capital are to

- > safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- > Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Company has been maintaining a steady dividend.

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

# Notes forming part of the Financial Statements

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

The gearing ratios were as follows:

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Net debt	-	-
Total equity	1,98,525.05	1,76,349.74
<b>Net debt to equity ratio</b>	<b>0%</b>	<b>0%</b>

b) Dividends

Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
<b>Equity shares</b>		
i) Dividend for the year ended 31 <sup>st</sup> March, 2023 of ₹ 6.25 (31 <sup>st</sup> March 2022 ₹ 6.25) per fully paid share.	8,515.35	8,515.35
<b>Dividends not recognised at the end of the reporting period</b>		
i) In addition to the above dividends, since year end the directors have recommended the payment of a dividend of ₹ 6.75 per fully paid equity share (31 <sup>st</sup> March, 2023 – ₹ 6.25). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	9,196.58	8,515.35

## 39 Additional Regulatory Information: Ratios

Ratio	Numerator	Denominator	Current Year	Previous Year	Variance
Current Ratio (in times)	Total current assets	Total current liabilities	6.25	5.88	6.28%
Debt-Equity Ratio (in times)	Debt consists of borrowings and lease liabilities.	Total equity	0.01	0.01	-
Debt Service Coverage Ratio (in times)	Earning for Debt Service = Net Profit before taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	NA	NA	-
Return on Equity Ratio (in %)	Net Profit after taxes for the year less Preference dividend (if any)	Average total equity	16.44%	13.78%	19.27%
Inventory Turnover Ratio (in times)	Revenue from operations	Average inventory	7.00	6.33	10.62%
Trade Receivables Turnover Ratio (in times)	Revenue from operations (credit sales)	Average trade receivables	12.56	15.13	-17.01%

## Notes forming part of the Financial Statements

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

Ratio	Numerator	Denominator	Current Year	Previous Year	Variance
Trade Payables Turnover Ratio (in times)	Cost of material consumed and other expenses	Average trade payables	14.94	14.71	1.59%
Net Capital Turnover Ratio (in times)	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	0.74	0.78	5.74%
Net Profit Ratio (in %)	Net Profit for the year after taxes	Revenue from operations	7.18%	5.76%	24.63%
Return on Capital Employed (in %)	Profit before tax and finance costs	Capital employed = Tangible Net worth + Lease liabilities + Deferred tax liabilities	20.32%	17.25%	17.79%
Return on Investment (in %)*	Income generated from invested funds	Average invested funds in treasury investments	7.33%	5.14%	42.61%

\* Income from investments increased due to interest rates hike.

### 40 Other statutory information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (ii) Relationship and transactions with struck off Companies:

Name of struck company	Nature of transactions (pertaining to balance outstanding)	Transactions during the year	Balance outstanding as on 31 <sup>st</sup> March, 2024	Relationship with the struck off company
Maize Products Limited	Payables	0.86	NA	Non-Related Party

- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.
- (v) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.



# Notes forming part of the Financial Statements

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

- (vi) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company Funding Party (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (viii) The Company has not entered into any such transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as , search or survey or any other relevant provisions of the Income Tax Act, 1961.
- 41 Previous year figures have been regrouped/reclassified, where necessary, to conform to this year's classification.

The accompanying notes are an integral part of the financial statements

As per our Report of even date

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

**For TUKARAM & CO. LLP**

Chartered Accountants

ICAI Firm Registration No. 004436S / S200135

**(Rajender Reddy Karnati)**

Partner

Membership No. 231834

Place : Hyderabad

Date : 22<sup>nd</sup> May, 2024

**C. Ramachandra Rao**

**DIN: 00026010**

Jt. Managing Director,  
Company Secretary & CFO

**A. Indra Kumar**

**DIN: 00190168**

Chairman & Managing Director

**N. Ram Prasad**

**DIN: 00145558**

Director





**Consolidated  
Financials  
2023-24**

# INDEPENDENT AUDITORS' REPORT

To the Members of  
Avanti Feeds Limited

Report on the Audit of the Consolidated Financial Statements

## Opinion

We have audited the accompanying Consolidated Financial Statements of **Avanti Feeds Limited** ('the Company') and its subsidiaries (collectively referred to as "the Group"), and its associate, which comprise the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date and notes to the Consolidated Financial Statements, including a summary of material accounting policies and other explanatory information (herein after referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31<sup>st</sup> March, 2024, the consolidated profit including other comprehensive income, consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended on that date.

## Basis for Opinion

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

## Key Audit Matters

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

S. No	Key Audit Matters	Auditor's Response
1.	<p>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of Ind AS 115 "Revenue from Contracts with Customers" (revenue accounting standard)</p> <p>The application of the revenue accounting standard involves certain key judgements relating to identification of the contract with a customer, identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized when a performance obligation is satisfied. Additionally, revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.</p> <p>Refer Note 2.5c and 23 to the Consolidated Financial Statements.</p>	<p><b>Principal Audit Procedures</b></p> <p>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:</p> <ul style="list-style-type: none"> <li>• We assessed the appropriateness of the revenue recognition accounting policies by comparing with applicable accounting standards.</li> <li>• Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, performance and inspection of evidence in respect of operation of these controls.</li> <li>• 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.</li> <li>• Selected a sample of continuing and new contracts and performed the following procedures: <ul style="list-style-type: none"> <li>• Read, analyzed and identified the distinct performance obligations in these contracts.</li> <li>• Compared these performance obligations with that identified and recorded by the Company.</li> <li>• 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.</li> <li>• 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.</li> </ul> </li> <li>• Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings.</li> <li>• 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.</li> </ul>

S. No	Key Audit Matters	Auditor's Response
2.	<p>The Company enters into various financial instruments such as investments in quoted and unquoted equity instruments, quoted mutual funds and quoted non-convertible debentures. As at 31<sup>st</sup> March, 2024, financial instruments carried at fair value through profit and loss totaled ₹ 50,839.32 Lakhs (current investments of ₹ 50,832.92 Lakhs and non-current investments of ₹ 6.40 Lakhs) as disclosed in Note 7 to the Consolidated Financial Statements. These financial instruments are recorded at fair value as required by the relevant accounting standard. We have focused on this area due to the complexities associated with the valuation and accounting for these financial instruments.</p>	<p>Our procedures included but were not limited to:</p> <p>Obtaining an understanding of the internal risk management procedures and the systems and controls associated with the origination and maintenance of complete and accurate information relating to financial instruments;</p> <p>Utilizing our treasury experts, we also tested on a sample basis the existence and valuation of derivative contracts as at 31<sup>st</sup> March, 2024. Our audit procedures focused on the integrity of the valuation models and the incorporation of the contract terms and the key assumptions, including future price assumptions and discount rates; and</p> <p>Obtaining an understanding of key financial instrument contract terms to assess the appropriateness of accounting reflected in the financial report.</p> <p>We have also assessed the appropriateness of the disclosures included in Note 40 to the Consolidated Financial Statements.</p>
3.	<p>Inventory valuation and existence:</p> <p>At the balance sheet date, the value of inventory amounted to ₹ 88,518.13 Lakhs representing 28.57% of total assets. Inventories were considered as key audit matter due to the size of the balance and because inventory valuation involves management judgment.</p> <p>As described in note 2.5i to the Consolidated Financial Statements, inventories are carried at the lower of cost and net realizable value on a weighted average basis.</p> <p>The Company has segment specific procedures for identifying risk for obsolescence and measuring inventories at the lower of cost and net realizable value.</p>	<p>To address the risk for material error on inventories, our audit procedures included amongst other:</p> <p>Assessing the compliance of Company's accounting policies over inventory with applicable accounting standards.</p> <p>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.</p> <p>Compared the Quantities we counted with Quantities recorded.</p> <p>Analysing the Inventory Ageing reports and Net realizable value of inventories.</p> <p>Tested that inventory on hand at the end of the period was recorded at the lower of cost and net realizable value by testing a sample of inventory items to the most recent retail price.</p>

S. No	Key Audit Matters	Auditor's Response
4	<p>Purchase of Raw material:</p> <p>Purchase of Raw material is being considered as a key audit matter as the Company procures its principle raw materials from the suppliers and the price of the same is highly volatile to the market conditions.</p> <p>Based upon the production requirements and after considering the tentative prices, the management decides the raw materials which have to be procured.</p> <p>The total cost of Raw material purchased by the Entity for the financial year 2023-24 is ₹ 4,40,406.87 Lakhs.</p>	<p>The following are some of the substantive tests that were part of our auditing procedures in addition to testing the internal controls design and effectiveness.:</p> <p>Internal controls relating to the purchase of raw materials and payments made to the suppliers of the raw materials on the basis of source documentation have been assessed in terms of their design and tested in terms of their implementation.</p> <p>We have performed test of controls over procurement procedures to assess the operating effectiveness of the controls placed in recognition of the cost of material consumption.</p> <p>We have conducted test of details through correlating the raw materials procured and the raw material consumed as per the production and stock reports.</p> <p>Understood the credit terms for payments to suppliers and assessed whether the same have been complied with.</p>

### Information Other than the Consolidated Financial Statements and Auditor's Report There on

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

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

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

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

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

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of

the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the Consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the Group and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate are responsible for overseeing the financial reporting process of the Group and of its associate.

### **Auditor's Responsibility for the Audit of the Consolidated Financial Statements**

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

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

Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company, its subsidiary companies and associate company which are companies incorporated in India, have adequate internal financial controls system in place and the operating effectiveness of such controls.

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

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.



Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements.

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

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

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

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

## Other Matters

We did not audit the financial statements / financial information of three subsidiaries included in the consolidated financial results, whose financial statements / information reflect total assets of ₹ 92,485.72 Lakhs as at 31<sup>st</sup> March, 2024 and total revenues of ₹ 1,11,890.91 Lakhs for the year ended 31<sup>st</sup> March, 2024, total net profit after tax of ₹ 9,001.88 Lakhs for year ended 31<sup>st</sup> March, 2024, total comprehensive income of ₹ 8,995.93 Lakhs for the year ended 31<sup>st</sup> March, 2024 and net cash flows of ₹ (461.12) Lakhs for the year ended 31<sup>st</sup> March, 2024, as considered in the Statement. These financial statements / financial information have been audited/ reviewed, as applicable, by other auditors whose reports have been furnished to us by the Management and our opinion and conclusion on the Statement, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated under Auditor's Responsibilities section above.

The consolidated financial results also include the Group's share of net profit after tax and total comprehensive income of ₹ 21.41 Lakhs for the year ended 31<sup>st</sup> March, 2024, as considered in the Statement, in respect of an associate, whose financial statements / financial information have not been audited by us. This financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion and conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this associate, is based solely on such unaudited financial statements/financial information. In our opinion and according to the information and explanations given to us by the Board of Directors, this financial statements / financial information are not material to the Group.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure-A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books, except for the matters stated in paragraph 2h(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
  - d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - e) On the basis of the written representations received from the directors of the Company as on March 31, 2024 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies and associate companies incorporated in India, none of the Directors of the Group companies and associate companies incorporated in India is disqualified as on 31<sup>st</sup> March, 2024 from being appointed as a Director of that company in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and its associate and the operating effectiveness of such controls, refer to our separate report in "**Annexure-B**" which is based on the auditor's reports of the Company, its subsidiary companies and associate company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company, its subsidiary companies and associate 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 Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate. Refer Note 33 to the Consolidated Financial Statements;

- ii) The Group and its associate did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group and its associate incorporated in India.
- iv.
- a) The respective managements of the Group and its associate which are companies incorporated in India, have represented to us that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds by the Group or its associate to or in any other person or entity, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Group companies or its associate (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - b) The respective managements of the Group and its associate, which are companies incorporated in India, have represented to us that, to the best of its knowledge and belief, no funds which are material either individually or in the aggregate have been received by the respective Parent Company or its subsidiaries from any person or entity, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Group companies or its associate shall, whether, directly or indirectly, lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v.
- a) The final dividend paid by the Company, one of its subsidiary companies and one of its associate companies during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.
  - b) The Board of Directors of the Company, one of its subsidiary companies and its associate company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
- vi. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1<sup>st</sup> April, 2023.

Based on our examination which included test checks, and as communicated by the respective auditors of the three subsidiaries and associate company, the Holding Company and its subsidiary companies (Holding Company and its subsidiaries together referred to as “the Group”) incorporated in India have used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares except

- a) In case of the Holding Company and one of the subsidiary (Avanti Frozen Foods Private Limited) records of property, plant and equipment, payroll and inventory of finished goods which are being maintained manually.

- b) In the case of two other subsidiaries records of property, plant and equipment and payroll which are being maintained manually.

Further, the feature of recording audit trail (edit log) facility was not available at the database level to log any direct data changes for the accounting software used for maintaining the books of account of the Company.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 01<sup>st</sup> April, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31<sup>st</sup> March, 2024.

**For TUKARAM & CO LLP**

Chartered Accountants

ICAI Firm Registration No: 004436S / S200135

**(RAJENDER REDDY KARNATI)**

Partner

Membership No: 231834

UDIN: 24231834BKGOLC7331

Place : Hyderabad

Date : 22<sup>nd</sup> May, 2024

# “Annexure – A” to the Independent Auditors’ Report

on the Standalone Financial Statements of Avanti Feeds Limited  
for the year ended 31<sup>st</sup> March, 2024.

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

According to the information and explanations given to us and based on our examination of records of the company there are no qualifications or adverse remarks in the Companies (Auditor’s Report) Order (CARO) reports of the Company, its subsidiary companies and associate company included in the Consolidated Financial Statements.

**For TUKARAM & CO LLP**

Chartered Accountants

ICAI Firm Registration No: 004436S / S200135

**(RAJENDER REDDY KARNATI)**

Partner

Membership No: 231834

UDIN: 24231834BKGOLC7331

Place : Hyderabad

Date : 22<sup>nd</sup> May, 2024

# Annexure - B to the Independent Auditors' Report

## of even date on the Consolidated Financial Statements of Avanti Feeds Limited

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

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

In conjunction with our audit of the Consolidated Financial Statements of Avanti Feeds Limited as of and for the year ended 31<sup>st</sup> March, 2024, we have audited the internal financial controls over financial reporting of Avanti Feeds Limited (hereinafter referred to as "the Company"), its subsidiary companies and associate company which are companies incorporated in India, as of that date.

### Management's Responsibility for Internal Financial Controls

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

### Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the on the internal financial controls system over financial reporting of the Company, its subsidiary companies and associate company, which are companies incorporated in India.

## Meaning of Internal Financial Controls Over Financial Reporting

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

## Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company, its subsidiary companies and associate company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### For TUKARAM & CO LLP

Chartered Accountants

ICAI Firm Registration No: 004436S / S200135

### (RAJENDER REDDY KARNATI)

Partner

Membership No: 231834

UDIN: 24231834BKGOLC7331

Place : Hyderabad

Date : 22<sup>nd</sup> May, 2024

# Consolidated Balance Sheet as at 31<sup>st</sup> March, 2024

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

Particulars	Notes	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property, plant and equipment	3	48,583.19	38,443.35
Capital work-in-progress	3(a)	881.36	3,378.57
Right-of-use assets	4(a)	1,064.47	1,294.81
Intangible assets	5	51.26	18.37
Investments accounted for using the equity method	6	1,290.05	1,305.90
Financial assets			
Investments	7(a)	2,517.38	2,511.78
Loans	8(a)	270.71	189.94
Other financial assets	9(a)	1,489.88	1,446.68
Non-current tax assets (net)	22(b)	2,338.29	1,620.34
Other non-current assets	10(a)	860.83	2,180.39
<b>Total Non - Current Assets</b>		<b>59,347.42</b>	<b>52,390.13</b>
<b>Current Assets</b>			
Inventories	11(a)	88,518.13	80,298.53
Biological assets	11(b)	115.50	227.86
Financial assets			
Investments	7(b)	70,747.04	96,724.81
Trade receivables			
Billed	12(a)	14,341.96	12,145.14
Unbilled	12(b)	5.00	9.92
Cash and cash equivalents	13(a)	1,251.96	3,363.66
Other Bank balances	13(b)	72,457.02	25,273.11
Loans	8(b)	155.12	160.37
Other financial assets	9(b)	-	204.53
Other current assets	10(b)	2,880.07	2,666.80
<b>Total Current Assets</b>		<b>2,50,471.80</b>	<b>2,21,074.73</b>
<b>Total Assets</b>		<b>3,09,819.22</b>	<b>2,73,464.86</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	14	1,362.46	1,362.46
Other equity	15	2,35,185.51	2,08,185.94
<b>Equity attributable to owners</b>		<b>2,36,547.97</b>	<b>2,09,548.40</b>
<b>Non-controlling interest</b>		<b>32,379.35</b>	<b>28,136.38</b>
<b>Total equity</b>		<b>2,68,927.32</b>	<b>2,37,684.78</b>
<b>Liabilities</b>			
<b>Non current liabilities</b>			
Financial liabilities			
Borrowings	16	1,394.03	-
Lease Liability	4(b)(i)	185.02	219.36
Other financial liabilities	17(a)	372.00	372.00
Provisions	18(a)	141.37	116.82
Deferred tax liabilities (net)	22	3,028.89	1,757.31
Other non-current liabilities	19(a)	721.12	999.87
<b>Total Non-current Liabilities</b>		<b>5,842.43</b>	<b>3,465.36</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	20	-	-
Trade payables			
i) Total outstanding dues of Micro enterprises and small enterprises	21	3,083.64	1,118.46
ii) Total outstanding dues of creditors other than Micro enterprises and small enterprises	21	29,043.90	26,944.50
Lease Liability	4(b)(ii)	73.63	85.99
Other financial liabilities	17(b)	443.97	264.04
Other current liabilities	19(b)	2,138.59	3,723.95
Provisions	18(b)	265.74	177.78
<b>Total Current Liabilities</b>		<b>35,049.47</b>	<b>32,314.72</b>
<b>Notes forming part of the Financial Statements</b>	1-45		
<b>Total Equity and Liabilities</b>		<b>3,09,819.22</b>	<b>2,73,464.86</b>

The accompanying notes are an integral part of the financial statements

As per our Report of even date

**For TUKARAM & CO. LLP**

Chartered Accountants

ICAI Firm Registration No. 004436S / S200135

**(Rajender Reddy Karnati)**

Partner

Membership No. 231834

**C. Ramachandra Rao**  
DIN: 00026010

Jt. Managing Director,  
Company Secretary & CFO

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

**A. Indra Kumar**

DIN: 00190168

Chairman & Managing Director

**N. Ram Prasad**

DIN: 00145558

Director



# Consolidated Statement of Profit & Loss

## for the year ended 31<sup>st</sup> March, 2024

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

Particulars	Notes	For the year Ended 31 <sup>st</sup> March, 2024	For the Year Ended 31 <sup>st</sup> March, 2023
<b>Income</b>			
Revenue from operations	23	5,36,889.36	5,08,698.55
Other income	24	13,626.85	9,201.78
<b>Total Income</b>		<b>5,50,516.21</b>	<b>5,17,900.33</b>
<b>Expenditure :</b>			
Cost of materials consumed	25	4,34,211.65	4,11,619.38
Purchase bearer biological assets	25	258.33	181.52
Changes in inventories of finished goods and work-in-progress	26	(2,929.35)	43.64
Employee benefits expense	27	19,954.82	16,684.04
Finance costs	29	130.70	202.13
Depreciation and amortization expenses	28	5,639.92	4,259.45
Other expenses	30	39,585.96	40,868.00
<b>Total expenses</b>		<b>4,96,852.03</b>	<b>4,73,858.16</b>
<b>Profit before tax, share in profit of Associates</b>		<b>53,664.18</b>	<b>44,042.17</b>
Add: Share of net profit/(loss) of associates accounted for using the equity method		21.41	(33.39)
<b>Profit before exceptional items and tax</b>		<b>53,685.59</b>	<b>44,008.78</b>
Exceptional items	31	-	(1,330.54)
<b>Profit before tax</b>		<b>53,685.59</b>	<b>42,678.24</b>
Tax expenses			
Current tax	22c	13,033.07	9,530.48
Deferred tax	22c	1,271.59	1,922.53
<b>Total tax expenses</b>		<b>14,304.66</b>	<b>11,453.01</b>
<b>Profit for the year</b>		<b>39,380.93</b>	<b>31,225.23</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurements of the defined benefit plans		(120.94)	(26.14)
<b>Total comprehensive income for the year</b>		<b>39,259.99</b>	<b>31,199.09</b>
<b>Attributable to :</b>			
Owners of AFL		35,596.42	27,840.74
Non-controlling interests		3,663.57	3,358.35
<b>Profit is attributable to:</b>			
Owners of AFL		35,714.19	27,867.23
Non-controlling interests		3,666.74	3,358.00
<b>Other comprehensive income is attributable to:</b>			
Owners of AFL		(117.77)	(26.49)
Non-controlling interests		(3.17)	0.35
<b>Earnings per equity share</b>			
(Equity shares, par value of ₹ 1/- each)			
Basic and diluted EPS (in ₹)			
Basic	32	26.21	20.45
Diluted	32	26.21	20.45
<b>Notes forming part of the Financial Statements</b>			

The accompanying notes are an integral part of the financial statements

As per our Report of even date

As per our Report of even date

For and on behalf of the Board of Directors

**For TUKARAM & CO. LLP**

Chartered Accountants

ICAI Firm Registration No. 004436S / S200135

**(Rajender Reddy Karnati)**

Partner

Membership No. 231834

**C. Ramachandra Rao**

DIN: 00026010

Jt. Managing Director,  
Company Secretary & CFO

**A. Indra Kumar**

DIN: 00190168

Chairman & Managing Director

**N. Ram Prasad**

DIN: 00145558

Director

Place : Hyderabad

Date : 22<sup>nd</sup> May, 2024

## Consolidated Statement of Changes in Equity for the year ended 31st March, 2024

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

### a. Equity Share Capital

Particulars	Number of Shares	Amount
Balance at 1 <sup>st</sup> April, 2022	13,62,45,630	1,362.46
Changes in equity share capital during the year	-	-
Balance at 31 <sup>st</sup> March, 2023	13,62,45,630	1,362.46
Changes in equity share capital during the year	-	-
Balance at 31 <sup>st</sup> March, 2024	13,62,45,630	1,362.46

### b. Other Equity

Particulars	Reserves and Surplus						
	Capital Reserve	Shares issue expenses	General reserve	Foreign Currency translation	Retained earnings	Non controlling interest	Total
Balance at 1 <sup>st</sup> April, 2022	-	-	22,015.72	(1.94)	1,66,163.92	25,198.54	2,13,376.24
Profit for the year	-	-	-	-	27,867.21	3,358.35	31,225.58
Translation Reserve during the year	-	-	-	1.94	-	-	1.94
Adjustment due to winding-up of step down subsidiary	-	-	-	-	87.93	60.15	148.08
Gain on Bargain purchase (capital Reserve)	-	-	-	-	312.65	-	312.65
Remeasurements of the defined benefit plans	-	-	-	-	(26.49)	-	(26.49)
Dividend	-	-	-	-	(8,515.35)	(200.33)	(8,715.68)
Change in Non controlling interest due to dividend	-	-	-	-	280.33	(280.33)	-
Transfer of retaining earnings go to general reserve	-	-	3,090.00	-	(3,090.00)	-	-
Balance at 31 <sup>st</sup> March, 2023	-	-	25,105.72	-	1,83,080.23	28,136.37	2,36,322.32
Balance at 1 <sup>st</sup> April, 2023	-	-	25,105.72	-	1,83,080.23	28,136.37	2,36,322.32
Additions*	-	-	-	-	-	879.90	879.90
Profit for the year	-	-	-	-	35,714.19	3,663.58	39,377.77
Remeasurements of the defined benefit plans	-	-	-	-	(117.77)	-	(117.77)
Dividends	-	-	-	-	(8,515.35)	(300.50)	(8,815.85)
Shares issue expenses	-	(81.50)	-	-	-	-	(81.50)
Transfer of retaining earnings go to general reserve	-	-	3,340.00	-	(3,340.00)	-	-
Balance at 31 <sup>st</sup> March, 2024	-	(81.50)	28,445.72	-	2,06,821.30	32,379.35	2,67,564.85

\* Additions due to fresh issue of share capital

The accompanying notes are an integral part of the financial statements

As per our Report of even date

For and on behalf of the Board of Directors

**For TUKARAM & CO. LLP**

Chartered Accountants

ICAI Firm Registration No. 004436S / S200135

**(Rajender Reddy Karnati)**

Partner

Membership No. 231834

**C. Ramachandra Rao**

**DIN: 00026010**

Jt. Managing Director,  
Company Secretary & CFO

**A. Indra Kumar**

**DIN: 00190168**

Chairman & Managing Director

**N. Ram Prasad**

**DIN: 00145558**

Director

Place : Hyderabad

Date : 22<sup>nd</sup> May, 2024

# Statement of Consolidated Cash Flows

## for the year ended 31<sup>st</sup> March, 2024

(₹ in lakhs, unless otherwise stated)

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	53,685.59	42,678.24
Adjustments for :		
Depreciation and amortisation expense	5,639.92	4,259.45
Provision for employee benefits	286.17	268.46
Finance costs	130.70	202.13
Loss/ (Profit) on disposal of property, plant and equipment	11.76	9.97
Interest income	(6,658.92)	(2,696.97)
Dividend income	(1.83)	-
Realised Foreign exchange gain/(Loss)	(1,290.75)	(2,264.95)
Gain/loss from sale of financial assets measured at fair value through profit and loss	(3,076.46)	(2,932.56)
Fair valuation of financial assets measured at fair value through profit and loss	(1,637.49)	(333.70)
Fair valuation of derivatives	75.21	(71.50)
Share of profit/(loss) from Associates	(21.41)	33.39
Amortisation of government grant	(256.13)	(240.33)
<b>Operating profit before working capital changes</b>	<b>46,886.36</b>	<b>38,911.63</b>
Adjustments for (increase) / decrease in operating assets:		
Trade receivables		
Billed	(2,196.82)	(783.19)
Unbilled	4.92	(3.35)
Loans	(75.52)	(185.93)
Other financial assets	161.33	(69.24)
Inventories	(8,107.24)	18,404.64
Other assets	1,106.29	611.06
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	4,064.58	(2,412.06)
Provisions	(294.60)	(150.88)
Other financial liabilities	104.72	(20.33)
Other liabilities	(1,607.98)	(155.92)
<b>Cash generated from operations</b>	<b>40,046.04</b>	<b>54,146.43</b>
Net income tax paid	(13,751.02)	(9,028.12)
<b>Net cash flow from operating activities (A)</b>	<b>26,295.02</b>	<b>45,118.31</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital expenditure on Property, Plant and Equipment including capital advances	(13,105.87)	(15,966.26)
Proceeds from sale of Property, Plant and Equipment	38.95	35.57
Purchase of Investments	(55,808.09)	(1,05,401.80)
Redemption proceeds of Investments	87,055.70	1,01,253.19
Other bank balances	(47,209.22)	(24,350.46)
Interest received	6,658.92	2,679.43
Dividend income received	1.83	-
<b>Net cash (used in) / flow from investing activities (B)</b>	<b>(22,367.78)</b>	<b>(41,750.33)</b>

## Statement of Consolidated Cash Flows

for the year ended 31<sup>st</sup> March, 2024

(₹ in lakhs, unless otherwise stated)

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Finance costs	(130.70)	(202.13)
Increase in borrowings	1,394.03	-
Changes in Lease Liabilities	(102.98)	(102.99)
Dividends paid	(8,490.04)	(8,505.18)
Realised Foreign exchange gain/(Loss)	1,290.75	2,264.95
<b>Net cash flow (used in) financing activities (C)</b>	<b>(6,038.94)</b>	<b>(6,545.35)</b>
<b>Net (decrease) in Cash and cash equivalents (A+B+C)</b>	<b>(2,111.70)</b>	<b>(3,177.38)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>3,363.66</b>	<b>6,541.05</b>
<b>Cash and cash equivalents at the end of the year</b> (Refer Note (i) below)	<b>1,251.96</b>	<b>3,363.66</b>
Note (i): Cash and cash equivalents comprises of:		
Balances with Banks	1,238.32	3,356.01
Cash in hand	13.64	7.65
<b>Total cash &amp; cash equivalents</b>	<b>1,251.96</b>	<b>3,363.66</b>
The above Statement of Cash Flows has been prepared under the "Indirect Method" set out in Ind AS - 7, 'Statement of Cash Flows' specified under section 133 of the Companies Act, 2013. Purchase of Property, Plant and Equipment includes movements of capital work-in-progress during the year. Figures in brackets indicate cash outflows.		

The accompanying notes are an integral part of the financial statements

As per our Report of even date

**For TUKARAM & CO. LLP**

Chartered Accountants

ICAI Firm Registration No. 004436S / S200135

**(Rajender Reddy Karnati)**

Partner

Membership No. 231834

Place : Hyderabad

Date : 22<sup>nd</sup> May, 2024

**C. Ramachandra Rao**

**DIN: 00026010**

Jt. Managing Director,  
Company Secretary & CFO

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

**A. Indra Kumar**

**DIN: 00190168**

Chairman & Managing Director

**N. Ram Prasad**

**DIN: 00145558**

Director

# Notes forming part of the Consolidated Financial Statements

## for the year ended 31<sup>st</sup> March, 2024

### 1. Corporate information

Avanti Feeds Limited ('AFL' or the 'Company') is a listed public Company under "The Companies Act, 1956", with its registered office in Visakhapatnam. The company started its commercial operations in 1993 and now stands as the leading manufacturer of Shrimp Feed. AFL has three subsidiaries (incorporated in India) named Avanti Frozen Foods Private Limited (AFFPL) and Srivathsa Power Projects Private Limited, (SPPPL) and Avanti Pet Care Private Limited (APCPL). AFFPL is engaged in the business of exporting Shrimp, SPPPL is engaged in the business of generation and distribution of electricity and APCPL is engaged in manufacturing and trading of Pet Feeds. AFL, AFFPL, SPPPL and APCPL are hereinafter referred to as the 'Group'.

The Group's consolidated financial statements are approved for issue by the Company's Board of Directors on May 22, 2024.

### 2. Basis of preparation of financial statements and material accounting policies

#### 2.1 Basis of preparation and measurement

##### (i) Basis of preparation

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

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

##### (ii) Basis of measurement

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

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

##### (iii) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in Cash and Cash equivalents.

### 2.2. Principles of consolidation and equity accounting

#### (i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

#### (ii) Associates

Associates are all entities over which the group has significant influence but not control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

#### (iii) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the impairment policy.

#### iv) Changes in Ownership Interest

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is re measured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

### 2.3 Measurement of fair values

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

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

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

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

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

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

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

### 2.4 Use of estimates and judgements

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

- Estimation of defined benefit obligation, refer note 38
- Useful life of property, plant and equipment refer note 2.4 (o)
- Fair value of biological asset refer note 2.4 (k)

### 2.5 Material accounting policies

#### a. Segment reporting

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

The Chairman and Managing Director (CMD) of the Holding company has been identified as the chief operating decision maker. Refer Note 37 for the segment information presented.

#### b. Foreign currency translation

##### (i) *Functional and presentation currency*

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

##### (ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. Foreign exchange difference regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

#### c. Revenue recognition

The Company earns revenue primarily from sale of Shrimp Feed and Shrimp Exports Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. To recognize revenues, we apply the following five step approach:



## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

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

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold is net of variable consideration on account of various discounts and schemes offered by the company as part of the contract.

### **d. Government grant**

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

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

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

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

### **e. Income Tax**

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

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

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

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

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

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

### **f. Ind AS 116 Leases:**

*As a lessee*

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

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

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

Effective April 01, 2019 the Company adopted IND AS 116, Leases and applied the standard to all lease contracts existing on 01<sup>st</sup> April, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

borrowing rate and the ROU asset as its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the Company's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended 31<sup>st</sup> March, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for the year 31<sup>st</sup> March, 2019

### **g. Impairment of assets**

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

### **h. Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

### **i. Inventories**

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

Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a weighted average basis. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition.

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

### **j. Biological assets**

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

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

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

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

The fair value of biological assets is based on its market condition as on the reporting date. The quoted price in the market is the appropriate basis for determining the fair value of these biological assets.

In the event that market determined prices or values are not available for biological assets in its present condition we use the present value of the expected net cash flows from the asset discounted at a current market determined rate in determining fair value.

Fair Value Inputs are summarised as follows:

Level 1 Price Inputs – are quoted prices (unadjusted) in active markets for identical assets or liabilities that can be accessed at the measurement date.

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

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

The valuation of the live Shrimp consumable biological assets are determined on the following basis:

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

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

### **k. Investments and other financial assets**

#### *(i) Classification*

*The Group classifies its financial assets in the following measurement categories:*

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

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

For assets measured at fair value, gains and losses will either be recorded in profit

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(ii) *Measurement*

At initial recognition, the Group measures a financial asset at its fair value, plus in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. However, trade receivables that do not contain a significant financing component are measured at transaction price.

### **Debt instruments**

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

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

### **Equity instruments**

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

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

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

(iii) *Impairment of financial assets*

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 40 details how the Group determines whether there has been a significant increase in credit risk.

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

(iv) *De recognition of financial assets*

A financial asset is derecognised only when

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

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

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

(v) *Income recognition*

Interest income:

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

Dividends:

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

### I. **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).

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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**m. Offsetting financial instruments**

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

**n. Property, plant and equipment**

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

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

**Depreciation methods, estimated useful lives and residual value**

Depreciation / amortisation on tangible assets is calculated on a straight-line basis as per the useful life prescribed and in the manner laid down under Schedule II to the Companies Act, 2013. The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets. Assets costing individually rupee equivalent of ₹ 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.

**o. Intangible assets**

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

**(i) Computer software**

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

**(ii) Amortisation methods and periods**

Intangible assets are amortized over their respective individual estimated useful lives of 6 years on a straight line basis.

**p. Trade and other payables**

These amounts represent liabilities for goods and services provided to the Group prior to the year end which are unpaid. The amounts are unsecured and are usually paid as per mutually agreed terms. Trade and other payables are presented as current

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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.

### q. **Borrowings**

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

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

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

### r. **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.

### s. **Provisions, Contingent liabilities & Contingent assets**

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

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



## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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.

### Contingent liabilities

Contingent liabilities are disclosed, unless the possibility of outflow of resources is remote, when there is

- A possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or
- A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or reliable estimate of the amount cannot be made

The Company has disclosed the same as per the requirements of Ind AS 37.

### Contingent assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by- the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The Company does not recognize the contingent asset in its standalone financial statements since this may result in the recognition of income that may never be realised. Where an inflow of economic benefits are probable, the Company disclose a brief description of the nature of contingent assets at the end of the reporting period. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and the Company recognize such assets.

## t. Employee benefits

### (i) Short-term obligations

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

### (ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re measurements 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.

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

### (iii) *Post-employment obligations*

The Group operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity; and
- (b) defined contribution plans such as provident fund, Employee State Insurance and superannuation fund

### **Gratuity obligations**

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

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

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

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

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

### **Defined contribution plans**

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

### (iv) *Bonus plans*

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

### **u. 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.

### **v. 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.

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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### w. Earnings per share

#### (i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group;
- by the weighted average number of equity shares outstanding during the financial year.

#### (ii) Diluted earnings per share

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

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

### x. 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.

#### 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.

## 2.6. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

## 2.7. Critical estimates and judgements

Areas involving critical estimates.

Estimation of defined benefit obligation, Refer note: 38

### Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

#### 3. Property, Plant and Equipment

	Land - Free hold	Buildings	Roads	Plant & machinery	Wind mills	Electrical Installation	Solar Power	Lab equipments	Office equipment	Computers	Furniture and fixtures	Motor vehicles	Total tangible assets
<b>As at March 31, 2022</b>	<b>4,982.14</b>	<b>9,292.44</b>	<b>504.96</b>	<b>21,638.59</b>	<b>649.31</b>	<b>3,134.89</b>	<b>34.60</b>	<b>673.82</b>	<b>319.60</b>	<b>264.34</b>	<b>420.01</b>	<b>2,443.88</b>	<b>44,358.58</b>
Additions	544.35	4,144.27	456.61	8,974.97	-	1,201.54	-	143.31	41.18	73.14	69.59	291.57	15,940.53
Acquired through business combination	230.51	52.86	-	36.19	-	-	-	-	-	0.39	-	-	319.95
Disposals	30.44	-	-	211.04	-	0.14	-	4.13	2.50	46.33	0.28	7.15	302.01
<b>As at March 31, 2023</b>	<b>5,726.56</b>	<b>13,489.56</b>	<b>961.57</b>	<b>30,438.71</b>	<b>649.31</b>	<b>4,336.28</b>	<b>34.60</b>	<b>812.99</b>	<b>358.28</b>	<b>291.54</b>	<b>489.31</b>	<b>2,728.31</b>	<b>60,317.02</b>
Additions	426.59	4,758.47	-	5,956.81	-	1,211.52	1,359.32	103.70	431.84	38.55	1,155.05	121.54	15,563.38
Disposals	-	9.15	-	248.50	-	3.06	-	1.40	23.30	14.32	1.61	75.94	377.28
<b>As at March 31, 2024</b>	<b>6,153.15</b>	<b>18,238.88</b>	<b>961.57</b>	<b>36,147.02</b>	<b>649.31</b>	<b>5,544.74</b>	<b>1,393.92</b>	<b>915.29</b>	<b>766.82</b>	<b>315.78</b>	<b>1,642.75</b>	<b>2,773.91</b>	<b>75,503.12</b>
<b>Depreciation</b>													
<b>Up to March 31, 2022</b>	-	<b>1,545.24</b>	<b>194.24</b>	<b>12,309.70</b>	<b>324.76</b>	<b>1,621.87</b>	<b>14.07</b>	<b>255.49</b>	<b>218.46</b>	<b>201.85</b>	<b>174.21</b>	<b>1,116.71</b>	<b>17,976.60</b>
Charge for the year	-	324.95	34.90	2,815.20	54.14	358.15	3.01	74.29	46.40	48.58	43.89	262.62	4,066.13
Acquired through business combination	-	50.21	-	35.03	-	-	-	-	-	0.39	-	-	85.63
Disposals	-	-	-	199.00	-	0.11	-	2.97	2.48	44.62	0.16	5.33	254.67
<b>Up to March 31, 2023</b>	-	<b>1,920.39</b>	<b>229.14</b>	<b>14,960.95</b>	<b>378.90</b>	<b>1,979.91</b>	<b>17.08</b>	<b>326.81</b>	<b>262.37</b>	<b>206.20</b>	<b>217.94</b>	<b>1,373.99</b>	<b>21,873.67</b>
Charge for the year	-	479.63	77.93	3,655.90	54.29	450.61	27.58	83.02	85.87	53.91	112.63	291.47	5,372.83
Disposals	-	1.46	-	238.33	-	1.49	-	1.24	23.12	12.47	1.07	47.40	326.57
<b>Up to March 31, 2024</b>	-	<b>2,398.56</b>	<b>307.07</b>	<b>18,378.52</b>	<b>433.19</b>	<b>2,429.03</b>	<b>44.66</b>	<b>408.59</b>	<b>325.12</b>	<b>247.64</b>	<b>329.51</b>	<b>1,618.05</b>	<b>26,919.93</b>
<b>Net block</b>													
<b>As at March 31, 2023</b>	<b>5,726.56</b>	<b>11,569.18</b>	<b>732.43</b>	<b>15,477.76</b>	<b>270.41</b>	<b>2,356.37</b>	<b>17.52</b>	<b>486.18</b>	<b>95.91</b>	<b>85.34</b>	<b>271.37</b>	<b>1,354.32</b>	<b>38,443.35</b>
<b>As at March 31, 2024</b>	<b>6,153.15</b>	<b>15,840.32</b>	<b>654.50</b>	<b>17,768.50</b>	<b>216.12</b>	<b>3,115.71</b>	<b>1,349.26</b>	<b>506.70</b>	<b>441.70</b>	<b>68.13</b>	<b>1,313.24</b>	<b>1,155.86</b>	<b>48,583.19</b>

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

### 3 (a) Capital work-in-progress

	Capital work-in - progress
<b>As at 31<sup>st</sup> March, 2022</b>	<b>3,996.70</b>
Additions	14,554.99
Capitalised during the year	15,173.12
<b>As at 31<sup>st</sup> March, 2023</b>	<b>3,378.57</b>
Additions	9,029.69
Capitalised during the year	11,526.90
<b>As at 31<sup>st</sup> March, 2024</b>	<b>881.36</b>
<b>Net block</b>	
<b>As at 31<sup>st</sup> March, 2023</b>	<b>3,378.57</b>
<b>As at 31<sup>st</sup> March, 2024</b>	<b>881.36</b>

#### Notes:

- i) Refer to note 21 for information on property, plant and equipment pledged as security by the company.
- ii) Gross value of assets as at 31<sup>st</sup> March, 2024 includes ₹ 1,927.01 Lakhs of government grant availed under the scheme of Export Promotion Capital Goods Scheme (31<sup>st</sup> March, 2023: ₹ 1,662.19 Lakhs). (refer Note 20)
- ii) Refer to note 34 for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- iii) ₹ 15,173.12 Lakhs has been capitalised and transferred to property, plant and equipment during the year ended 31<sup>st</sup> March, 2023
- iv) ₹ 6,726.80 Lakhs has been capitalised and transferred to property, plant and equipment during the year ended 31<sup>st</sup> March, 2024

### Ageing of capital work-in-progress as on 31<sup>st</sup> March, 2024

Particulars	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
<b>Projects in progress:</b>					
Factory Buildings at Hatchery	162.12	-	-	-	<b>162.12</b>
Solar power at Kovvur	10.71	-	-	-	<b>10.71</b>
Electrical Installation at Hatchery	12.16	-	-	-	<b>12.16</b>
Office Equipment at Kovvur	6.18	-	-	-	<b>6.18</b>
Office Equipment at Gujrat	2.99	-	-	-	<b>2.99</b>
Plant & Machinery at Hatchery	9.25	-	-	-	<b>9.25</b>
Plant & Machinery at Gujrat	90.23	-	-	-	<b>90.23</b>
Processing Plant at Krishnapuram	130.82	-	-	-	<b>130.82</b>
Packing shed, Women Quarters Building, Plant & Machinery at Yerravaram	447.22	8.18	1.50	-	<b>456.90</b>
<b>Total</b>	<b>871.68</b>	<b>8.18</b>	<b>1.50</b>	<b>-</b>	<b>881.36</b>

Projects temporarily suspended: Nil

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

### Ageing of capital work-in-progress as on 31<sup>st</sup> March, 2023

Particulars	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
<b>Projects in progress:</b>					
Admin Building at Kovvur	263.00	196.25	-	-	<b>459.25</b>
Compound Wall at Bandapuram	246.48	-	-	-	<b>246.48</b>
Office Equipment at Kovvur	265.56	-	-	-	<b>265.56</b>
Data processing equipment at Kovvur	24.45	-	-	-	<b>24.45</b>
Temporary shed at Kovvur	12.92	-	-	-	<b>12.92</b>
Guest House at Kovvur	750.45	222.87	-	-	<b>973.32</b>
Plant & Machinery at Kovvur	3.45	-	-	-	<b>3.45</b>
Plant & Machinery at Gujarat	16.21	-	-	-	<b>16.21</b>
Cold Store, ETP, Plant & Machinery at Yerravaram	172.74	69.35	-	-	<b>242.09</b>
Processing Plant at Krishnapuram	1,134.84	-	-	-	<b>1,134.84</b>
<b>Total</b>	<b>2,890.10</b>	<b>488.47</b>	<b>-</b>	<b>-</b>	<b>3,378.57</b>

Projects temporarily suspended: Nil

#### 4. Right of use assets

##### (a) ROU as at 31<sup>st</sup> March, 2024

Particulars	Category of ROU Asset		Total
	Leasehold Land	Buildings	
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>378.85</b>	<b>193.49</b>	<b>572.34</b>
Additions	916.59	4.34	920.93
Deletions	-	(13.52)	(13.52)
Depreciation	(108.62)	(76.32)	(184.94)
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>1,186.82</b>	<b>107.98</b>	<b>1,294.81</b>
Additions	-	33.98	33.98
Adjustment	-	(3.18)	(3.18)
Deletions	-	(1.67)	(1.67)
Depreciation	(211.82)	(47.64)	(259.46)
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>975.00</b>	<b>89.47</b>	<b>1,064.47</b>

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 31<sup>st</sup> March, 2024

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
i. Non - Current	185.02	219.36
ii. Current	73.63	85.99
<b>Total</b>	<b>258.66</b>	<b>305.35</b>

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

The movement in lease liabilities during the year ended 31<sup>st</sup> March, 2024 is as follows:

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Balance as at 01<sup>st</sup> April, 2023</b>	<b>305.33</b>	<b>408.34</b>
Additions	33.98	2.23
Finance cost accrued during the year	24.56	31.17
Deletions	(1.79)	(15.33)
Adjustments	(2.40)	-
Remeasurement of Leases	-	1.80
Payment of lease liabilities	(101.03)	(122.88)
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>258.66</b>	<b>305.35</b>

Rental expenses recorded on short-term leases was ₹ 270.88 Lakhs

The details of the contractual maturities of lease liabilities as at 31<sup>st</sup> March, 2024 on an undiscounted basis are as follows:

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Less than one year	70.79	85.79
One year to three years	64.63	66.99
More than three years	123.24	149.57
<b>Total</b>	<b>258.66</b>	<b>305.35</b>

### 5. Intangible assets

Particulars	Computer Software	Customer contracts	Total
<b>As at 31<sup>st</sup> March, 2022</b>	<b>59.56</b>	<b>618.59</b>	<b>678.15</b>
Additions	3.10	-	3.10
Withdrawals and adjustments	-	618.59	618.59
Disposals	-	-	-
<b>As at 31<sup>st</sup> March, 2023</b>	<b>62.66</b>	<b>(0.00)</b>	<b>62.66</b>
Additions	40.52	-	40.52
Withdrawals and adjustments	0.47	-	0.47
Translation exchange differences	-	-	-
<b>As at 31<sup>st</sup> March, 2024</b>	<b>102.71</b>	<b>(0.00)</b>	<b>102.71</b>
Amortization expenses			
Up to 31 <sup>st</sup> March, 2022	35.91	340.23	376.14
Charge for the year	8.38	-	8.38
Withdrawals and adjustments	-	340.23	340.23
Translation exchange difference	-	-	-
<b>Up to 31<sup>st</sup> March, 2023</b>	<b>44.29</b>	<b>(0.00)</b>	<b>44.29</b>
Charge for the year	7.63	-	7.63
Withdrawals and adjustments	0.47	-	0.47
Translation exchange difference	-	-	-
Up to 31 <sup>st</sup> March, 2024	51.45	(0.00)	51.45
Net block			
<b>As at 31<sup>st</sup> March, 2023</b>	<b>18.37</b>	<b>(0.00)</b>	<b>18.37</b>
<b>As at 31<sup>st</sup> March, 2024</b>	<b>51.26</b>	<b>(0.00)</b>	<b>51.26</b>

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

### 6. Investments accounted for using the equity method

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Equity instruments of associate company (unquoted) Patikari Power Private Limited 1,06,45,200 (31 <sup>st</sup> March, 2023: 1,06,45,200) equity shares of ₹ 10/- each fully paid up	1,290.05	1,305.90
<b>Total (A)</b>	<b>1,290.05</b>	<b>1,305.90</b>

### 7. Investments

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>a) Non - Current Investments (Refer Note i below)</b>		
<b>Investments carried at cost</b>		
i) Equity instruments of other entities (unquoted)	995.77	995.77
<b>Investment carried at fair value through profit and loss</b>		
ii) Equity instruments other entities (quoted)	6.40	3.20
<b>Investments carried at amortised cost</b>		
iii) Investments in Non Convertible Debentures (quoted)	1,515.21	1,512.81
<b>Total a (i+ii+iii)</b>	<b>2,517.38</b>	<b>2,511.78</b>
<b>b) Current investments (Refer Note ii below)</b>		
<b>Investment carried at fair value through profit and loss</b>		
(i) Investments in Mutual Funds (quoted)	49,774.45	65,554.79
<b>Investment carried at amortised cost</b>		
(i) Investments in Non Convertible Debentures- Quoted	1,058.47	7,375.93
(ii) Investments in Non Banking Institutions	19,914.12	23,794.09
<b>Total b (i+ii+iii)</b>	<b>70,747.04</b>	<b>96,724.81</b>
<b>Note (i)</b>		
<b>Equity instruments other entity (unquoted)</b>		
<b>Bhimavaram Hospitals Limited</b>		
1,20,000 (31 <sup>st</sup> March, 2023: 1,20,000) equity shares of ₹ 10/- each fully paid up	12.00	12.00
<b>PT Thai Union Kharisma Lestari</b>	783.77	783.77
15,46,800 (31 <sup>st</sup> March, 2023: 15,46,000) equity shares of IDR 10,000/- each fully paid up		
Himalaya Hydro Pvt. Ltd.	200.00	200.00
<b>Total a(i)</b>	<b>995.77</b>	<b>995.77</b>
<b>Equity instruments (quoted)</b>		
<b>IDBI Bank Limited</b>		
2,880 (31 <sup>st</sup> March, 2023: 2,880) equity shares of ₹ 10/- each fully paid up	2.33	1.30



## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>UCO Bank Limited</b>		
7,800 (31 <sup>st</sup> March, 2023: 7,800) equity shares of ₹ 10/- each fully paid up	4.07	1.90
<b>Total a(ii)</b>	<b>6.40</b>	<b>3.20</b>
Investments in Non Convertible Debentures (quoted)		
7.7541% Tata Motors Finance Holding Limited : 100 nos (31 <sup>st</sup> March 2023 : 100 nos)	1,515.21	1,512.81
<b>Total a (iii)</b>	<b>1,515.21</b>	<b>1,512.81</b>
<b>Total a (i+ii+iii)</b>	<b>2,517.38</b>	<b>2,511.78</b>
Aggregate amount of quoted investments and market value thereof	1,521.61	1,516.01
Aggregate amount of unquoted investments	995.77	995.77
Aggregate amount of impairment in the value of investments	-	-
<b>Total</b>	<b>2,517.38</b>	<b>2,511.78</b>
<b>Note (ii)</b>		
<b>Current investments</b>		
<b>Investment in quoted mutual funds</b>		
IDFC Low duration Fund - Growth Regular plan - Nil (31 <sup>st</sup> March, 2023: 15,69,870 units of ₹32.8705 each)	-	516.02
SBI Magnum Ultra Short Term Growth - Direct 49,705.477 units of ₹ 5542.0577 each (31 <sup>st</sup> March, 2023: 1,73,095.5449 units of ₹ 5158.4197 each)	2,754.71	8,928.99
Axis Banking & PSU Debt Fund - 3,17,583.381 units of ₹ 2453.8381 each (31 <sup>st</sup> March, 2023 - 3,99,401.665 units of ₹ 2288.5724 each)	7,792.98	9,140.60
Bandan Banking & PSU Debt Fund -65,32,593.212 units of ₹ 22.9048 each (31 <sup>st</sup> March, 2023 - 3,25,81,564.19 units of ₹ 20.9854 each)	1,496.28	6,957.11
Nippon India Arbitrage Fund - Direct - nil (31 <sup>st</sup> March, 2023 - 61,66,826.829 units of ₹ 23.7070 each)	-	1,488.60
Bandan Corporate Bond Fund - Direct - Growth - 3,06,60,171.091 units of ₹ 17.8210 each (31 <sup>st</sup> March, 2023 - 3,06,60,171.091 of ₹ 16.6022 each)	5,463.95	5,090.09
ICICI Pru Corporate Bond Fund - Direct - Growth - 2,52,51,727.144 units of ₹ 28.1456 each (31 <sup>st</sup> March, 2023 - 2,52,51,727.144 units of ₹ 26.0278 each)	7,107.25	6,572.34
HDFC Corporate Bond Fund - Direct - Growth - 2,76,60,234.097 units of ₹ 29.8835 each (31 <sup>st</sup> March, 2023 - 2,76,60,234.097 units of ₹ 27.6193 each)	8,265.85	7,639.56
Aditya Birla S.L. Floating Rate Dent Fund - Direct - Growth - 10,78,576.43 units of ₹ 323.4383 each (31 <sup>st</sup> March, 2023: 10,78,576.43 units of ₹ 299.2125 each)	3,488.53	3,231.27
HDFC Floating Rate Debt Fund - Direct - Growth - 71,35,334.839 units of ₹ 45.8559 each (31 <sup>st</sup> March, 2023 : 71,35,334.839 units of ₹ 42.3701 each)	3,271.97	3,023.25

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Nippon India Floating Rate Fund - Direct - Growth - 28,68,753.701 units of ₹ 42.7185 each (31 <sup>st</sup> March 2023: 28,68,753.7010 units of ₹ 38.8904 each)	1,225.49	1,133.60
Nippon India Banking & PSU Debt Fund (G) - Direct - 62,63,427.911 units of ₹ 19.4007 each (31 <sup>st</sup> March 2023: 62,63,427.911 units of ₹ 17.7001 each)	1,215.15	1,127.42
SBI Liquid Fund Direct Growth - 7,010.893 units of ₹ 3779.2823 of each (31 <sup>st</sup> March 2023: 1,17,220.180 units of ₹ 3523.303 of each)	264.96	4,130.02
SBI Savings Fund Direct Plan Growth - nil (31 <sup>st</sup> March 2023: 54,96,254.129 units of ₹ 37.5713 each)	-	2,065.01
Aditya Birla SL Nifty SDL Plus PSU Bond Sept 2026 50:50 Index Fund - Direct - Growth - 47,74,124.871 units of ₹ 11.2477 each (31.03.2023: 47,74,124.871 units of ₹ 10.488 each)	536.98	500.71
Aditya Birla Sun Life Corporate Bond Fund - Direct - Growth: 15,70,676.109 units of ₹ 103.2453 each (31 <sup>st</sup> March, 2023: 15,70,676.109 units of ₹ 95.61 each)	1,621.65	1,501.65
Bandan Crisil IBX Gilt April 2028 Index Lumsup Fund Direct Plan -Growth :1,37,63,999.008 units of ₹ 11.7754 each (31 <sup>st</sup> March, 2023: 1,37,63,999.01 units of ₹ 10.9493 each)	1,620.77	1,507.06
SBI CPSE Bond Plus SDL Sep 2026 50:50 Index Fund - Direct : 96,15,551.07 unit of ₹ 11.1675 each (31 <sup>st</sup> March, 2023: 96,15,551.07 unit of ₹ 10.4153 each)	1,073.82	1,001.49
Bandan Arbitrage Fund - Regular - Growth : 21,96,947.268 units of ₹ 29.7724 each (31 <sup>st</sup> March, 2023 ; nil)	654.08	-
Tata Arbitrage Fund - Regular Ask Growth : 87,85,873.941 units of ₹ 13.1806 each (31 <sup>st</sup> March, 2023 : nil)	1,158.15	-
HDFC Arbitrage Fund - WP-monthly Dividend - Direct plan : 13,82,368.395 units of ₹ 18.3660 each (31 <sup>st</sup> March, 2023: nil)	253.89	-
SBI Arbitrage Opportunities Fund - Direct Plan - Growth: 7,75,562.528 units of ₹ 32.7338 each (31 <sup>st</sup> March, 2023: nil)	253.90	-
Kotak Equity Arbitrage Fund - Direct Growth : 6,98,324.219 units of ₹ 36.3862 each (31 <sup>st</sup> March, 2023: nil)	254.09	-
<b>Total b(i)</b>	<b>49,774.45</b>	<b>65,554.79</b>
Investments in Non Convertible Debentures (quoted) - Current		
5.23% LIC Housing July 2023 : Nil (31 <sup>st</sup> March 2023 : 100 nos)	-	1,036.01
5.40% HDFC Aug 2023 :nil (31 <sup>st</sup> March 2023 : 100 nos)	-	1,035.41

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
5.70% Bajaj Finance Aug 2023 : nil (31 <sup>st</sup> March 2023 : 100 nos)	-	1,037.60
7.2871% HDB Financial July 2023 : nil (31 <sup>st</sup> March 2023 : 200 nos)	-	2,110.41
8.00% Reliance Industries Ltd. 09th April 2023 : nil (31 <sup>st</sup> March 2023 : 100 nos)	-	1,078.59
8.00% Reliance Industries Ltd. 16th April 2023 : nil (31 <sup>st</sup> March 2023 : 100 nos)	-	1,077.91
Housing Development Finance Corporation SR V-006 7.99 NCD: 100 nos (31 <sup>st</sup> March, 2023 : nil)	<b>1,058.47</b>	-
<b>Total b(ii)</b>	<b>1,058.47</b>	<b>7,375.93</b>
Investment with Non Banking Institutions:		
Term deposit with LIC of India	<b>6,344.83</b>	5,125.18
Term deposit with Bajaj Finance Limited	<b>11,865.69</b>	13,445.03
Term deposit with HDFC Limited	<b>1,703.60</b>	5,223.88
<b>Total b(iii)</b>	<b>19,914.12</b>	23,794.09
<b>Total b(i+ii+iii)</b>	<b>70,747.04</b>	96,724.81
Aggregate amount of quoted investments and market value thereof	<b>50,832.92</b>	72,930.72
Aggregate amount of unquoted investments	<b>19,914.12</b>	23,794.09
Aggregate amount of impairment in the value of investments	-	-
<b>Total</b>	<b>70,747.04</b>	<b>96,724.81</b>

### 8. Loans

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>(a) Non-current</b>		
Unsecured, considered good		
Loans to employees	<b>270.71</b>	189.94
<b>Total (a)</b>	<b>270.71</b>	<b>189.94</b>
<b>(b) Current</b>		
Unsecured, considered good		
Loans to employees	<b>155.12</b>	110.37
Intercorporate deposits:		
to others	-	1,592.00
Less: provision for doubtful advances	-	(1,542.00)
<b>Total (b)</b>	<b>155.12</b>	160.37
<b>Total (a+b)</b>	<b>425.83</b>	<b>350.31</b>

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

### 9. Other Financial Assets

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>a) Non Current</b>		
Unsecured, considered good		
Bank deposits (Maturity more than 12 months)	-	75.00
Margin Money Accounts*	63.01	65.55
Security deposits	1,426.87	1,306.13
<b>Total</b>	<b>1489.88</b>	<b>1,446.68</b>
* Margin Money deposits with bank of a carrying amount of ₹ 63.01 Lakhs (31 <sup>st</sup> Mar, 2023: 65.55 Lakhs) are lien marked for import L.C.s.		
<b>b) Current</b>		
Unsecured, considered good		
Derivative financial asset	-	71.50
Other Receivables	-	133.03
<b>Total</b>	<b>-</b>	<b>204.53</b>

### 10. Other Assets

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>a) Non-current</b>		
<b>Unsecured, considered good</b>		
Taxes paid under protest	3.27	2.94
<b>Unsecured, considered doubtful</b>		
Capital advances	873.56	2,193.45
Less: Provision for Bad and doubtful advances	(16.00)	(16.00)
<b>Total</b>	<b>860.83</b>	<b>2,180.39</b>
<b>(b) Current</b>		
<b>Unsecured, considered good</b>		
Prepaid expenses	538.33	533.48
Advance for purchases	165.92	262.45
Export incentives receivable	1,819.87	783.36
RODTEP scripts on hand	98.27	469.21
GST Receivable	30.40	0.12
Advance to suppliers	160.07	557.61
Interest accrued on electricity deposits	55.77	48.61
PT Thai Union Kharisma Lestari	11.44	11.96
<b>Total</b>	<b>2,880.07</b>	<b>2,666.80</b>

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

### 11a) Inventories (valued at lower of cost or net realizable value)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Raw materials</b>		
In godowns	53,176.59	46,498.29
Stock in transit	-	724.87
Packing materials	1,006.70	764.91
Work-in-progress	872.64	1,026.27
Finished goods		
In godowns	30,757.08	16,040.72
Stock in transit	-	11,521.02
Stores and spares	2,705.12	3,653.78
Stores and spares - in transit	-	68.67
<b>Total</b>	<b>88,518.13</b>	<b>80,298.53</b>

### 11b)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Biological Assets</b>		
Brood stock	53.13	104.79
Post Larval	62.37	123.07
<b>Total</b>	<b>115.50</b>	<b>227.86</b>

#### Reconciliation of changes in the carrying amount of biological assets:

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
As at beginning of the year	227.86	166.66
Increase due to purchase/production/physical change	1,809.21	2,127.11
Decrease due to Physical change/ sales	(1,921.57)	(2,065.91)
<b>Net change in the Fair value less estimated cost to sell</b>	<b>115.50</b>	<b>227.86</b>

### 12. Trade receivables

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>a) Trade receivable billed:</b>		
Secured:		
Undisputed		
Considered good	13,014.08	2,500.48
Considered doubtful	-	-
Disputed:		
Considered good	148.31	148.31
Considered doubtful	-	-
Unsecured:		
Considered good	1,179.57	9,496.35
Considered doubtful	328.59	245.82
	<b>14,670.55</b>	<b>12,390.96</b>
<b>Less: Allowance for doubtful trade receivables</b>	<b>328.59</b>	<b>245.82</b>
<b>Total (a)</b>	<b>14,341.96</b>	<b>12,145.14</b>
<b>b) Trade receivable unbilled</b>	<b>5.00</b>	<b>9.92</b>
<b>Total (b)</b>	<b>5.00</b>	<b>9.92</b>
<b>Total (a+b)</b>	<b>14,346.96</b>	<b>12,155.06</b>

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

**Ageing for trade receivables - billed - current outstanding as at 31<sup>st</sup> March, 2024 is as follows:**

Particulars	outstanding for following periods from due date of payment					
	Less than 6 months	6 months - one year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables-secured - considered good	13,014.08	-	-	-	-	13,014.08
Undisputed trade receivables-unsecured - considered good	1,179.57	-	-	-	-	1,179.57
Undisputed trade receivables - credit impaired	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	148.31	148.31
Disputed trade receivables - considered doubtful	-	-	82.76	-	245.82	328.59
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>14,193.65</b>	<b>-</b>	<b>82.76</b>	<b>-</b>	<b>394.13</b>	<b>14,670.55</b>
Less: Allowance for doubtful trade receivable	-	-	82.76	-	245.82	147.63
<b>Total</b>	<b>14,193.65</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>148.31</b>	<b>14,341.96</b>
Trade receivables - un billed	5.00	-	-	-	-	5.00
<b>Total</b>	<b>14,198.65</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>148.31</b>	<b>14,346.96</b>

**Ageing for trade receivables - billed current outstanding as at 31<sup>st</sup> March, 2023 is as follows:**

Particulars	outstanding for following periods from due date of payment					
	Less than 6 months	6 months - one year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables-secured - considered good	1,629.31	871.17	-	-	-	2,500.48
Undisputed trade receivables-unsecured - considered good	8,369.54	1,100.84	8.80	17.17	-	9,496.35
Undisputed trade receivables - credit impaired	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	148.31	148.31
Disputed trade receivables - considered doubtful	-	-	-	-	245.82	245.82
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

Particulars	outstanding for following periods from due date of payment					
	Less than 6 months	6 months - one year	1-2 years	2-3 years	More than 3 years	Total
Less: Allowance for doubtful trade receivables	9,998.85	1,972.01	8.80	17.17	394.13	12,390.96
	-	-	-	-	245.82	245.82
	<b>9,998.85</b>	<b>1,972.01</b>	<b>8.80</b>	<b>17.17</b>	<b>148.31</b>	<b>12,145.14</b>
Trade receivables - unbilled	-	-	-	-	-	9.92
<b>Total</b>	<b>9,998.85</b>	<b>1,972.01</b>	<b>8.80</b>	<b>17.17</b>	<b>148.31</b>	<b>12,155.06</b>

### 13 a) Cash and cash equivalents

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Balances with banks :		
-In current accounts	1238.32	3,356.01
Cash in hand	13.64	7.65
<b>Total</b>	<b>1,251.96</b>	<b>3,363.66</b>

### 13 b) Other bank balances

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Unpaid dividend accounts	174.53	199.84
Deposit Accounts	71,117.17	24,617.44
Margin money accounts*	627.46	282.97
CSR unspent accounts	537.86	172.86
<b>Total</b>	<b>72,457.02</b>	<b>25,273.11</b>

\* Margin Money deposits with bank of a carrying amount of ₹ 627.46 Lakhs (31<sup>st</sup> March, 2023: ₹ 282.97 Lakhs) are lien marked for import L.C.s and for issuance of SBLC for Anti Dumping Duty purpose to US Customs Authorities.

### 14. Equity Share capital

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Authorised capital</b>		
15,85,00,000 equity shares of Re. 1/- each (31 <sup>st</sup> March, 2023: 15,85,00,000 equity shares of ₹ 1/- each)	1,585.00	1,585.00
<b>Issued, subscribed and paid up</b>		
13,62,45,630 fully paid up equity shares of ₹ 1/- each (31 <sup>st</sup> March, 2023; 13,62,45,630 shares ₹ 1/- each)	1,362.46	1,362.46
	<b>1,362.46</b>	<b>1,362.46</b>

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

### Notes:

#### (a) Reconciliation of the number of shares outstanding:

Particulars	Number of shares	Amount
Balance at April 1, 2022	13,62,45,630	1,362.46
Shares issued during the year	-	-
<b>Balance at 31<sup>st</sup> March, 2023</b>	<b>13,62,45,630</b>	<b>1,362.46</b>
Shares issued during the year	-	-
<b>Balance at 31<sup>st</sup> March, 2024</b>	<b>13,62,45,630</b>	<b>1,362.46</b>

#### b. Details of shares held by each shareholder holding more than 5% shares

Name of the shareholder	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	Number of shares held	% holding of equity shares	Number of shares held	% holding of equity shares
<b>Equity shares of ₹ 1/- each fully paid up (previous year ₹ 1/- each)</b>				
1. Srinivasa Cystine Private Limited	3,62,99,115	26.64	3,62,99,115	26.64
2. Thai Union Group Public Company Limited	2,10,30,630	15.44	2,10,30,630	15.44
3. Thai Union Asia Investment Holding Limited	1,19,54,826	8.77	1,19,54,826	8.77
3. Alluri Indra Kumar	83,30,700	6.11	83,30,700	6.11
4. Alluri Indra Kumar (HUF)	81,89,250	6.01	81,89,250	6.01

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

#### c. Rights attached to equity shares:

The Company has only one class of equity shares having par value of ₹ 1/- per share (previous year ₹ 1/- per share). Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

#### (d) Equity shares movement during the 5 years preceding 31<sup>st</sup> March, 2024 on account of Equity shares issued as bonus

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



## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

**(e) Details of share holding of promoters:**

Promoter Name	As at 31 <sup>st</sup> March, 2024			As at 31 <sup>st</sup> March, 2023		
	Shares held by promoter			Shares held by promoter		
	No. of shares	% of total shares	% change during the year	No. of shares	% of total shares	% change during the year
Srinivasa Cystine Private Limited	3,62,99,115	26.64	-	3,62,99,115	26.64	-
Sanjeev Agrovat Private Limited	42,35,265	3.11	-	42,35,265	3.11	-
Indra Kumar Alluri	83,30,700	6.11	-	83,30,700	6.11	-
Alluri Indra Kumar HUF	81,89,250	6.01	-	81,89,250	6.01	-
Venkata Sanjeev Alluri	7,10,700	0.52	-	7,10,700	0.52	-
Alluri Nikhilesh Chowdary	6,91,650	0.51	-	6,91,650	0.51	-
Nuthakki Ram Prasad	2,29,701	0.17	-	2,29,701	0.17	-
Sudha Vadlamudi	37,500	0.03	-	37,500	0.03	-
Amar Kumar Chukkapalli	-	-	(100.00)	37,500	0.03	-
Vijaya Kumar Chukkapalli	18,750	0.01	-	18,750	0.01	-
Katneni Jagan Mohan Rao	37,500	0.03	-	37,500	0.03	-
N Naga Ratna	95,022	0.07	-	95,022	0.07	-
Ratna Manikyamba Katneni	37,500	0.03	-	37,500	0.03	-
Arun Kumar Chukkapalli	18,750	0.01	-	18,750	0.01	-
<b>Total</b>	<b>5,89,31,403</b>	<b>43.25</b>	<b>(100.00)</b>	<b>5,89,68,903</b>	<b>43.28</b>	<b>-</b>

**15. Other equity**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Foreign Currency Translation Reserve</b>	-	-
General Reserve	28,364.22	25,105.72
Retained earnings	2,06,821.29	1,83,080.22
<b>Total Other Equity</b>	<b>2,35,185.51</b>	<b>2,08,185.94</b>

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Foreign Currency Translation Reserve</b>		
Balance at beginning of year	-	(1.94)
Adjustment due to winding-up of step down subsidiary	-	1.94
<b>Balance at end of year</b>	<b>-</b>	<b>-</b>
<b>General Reserve</b>		
Balance at beginning of year	25,105.72	22,015.72
Transferred from Surplus in Statement of Profit and Loss	3,340.00	3,090.00

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Shares issue expenses	(81.50)	-
<b>Balance at end of year</b>	<b>28,364.22</b>	<b>25,105.72</b>
<b>Retained earnings</b>		
Balance at beginning of year	1,83,080.22	1,66,163.92
	<b>35,714.19</b>	27,867.23
Adjustment due to winding-up of step down subsidiary	-	87.93
Gain on Bargain purchase (capital reserve)	-	312.65
Remeasurements of the defined benefit plans	(117.77)	(26.49)
Profits transferred to General Reserve	(3,340.00)	(3,090.00)
Dividend declared during the year	(8,515.35)	(8,515.35)
Change in Non controlling interest due to dividend	-	280.33
<b>Balance at end of year</b>	<b>2,06,821.29</b>	<b>1,83,080.22</b>

### General Reserve:

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

## 16. Non-current borrowings

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Secured</b>		
<b>Term Loan</b>		
From Axis Bank Limited	1,394.03	-
<b>Total</b>	<b>1,394.03</b>	<b>-</b>

\* Current maturities on long-term borrowings have been disclosed under the head Other current financial liabilities

### Summary of borrowing arrangements

#### Term loan:

Nature of Security & Terms of Repayment :

Axis Bank Ltd has sanctioned a loan of ₹ 14 Crores for the purpose of setting up a new shrimp processing plant, with an annual capacity of 7,000 MTPA, at Krishnapuram Village, Thondangi Mandal, Kakinada District, AP.

The loan is secured by way of exclusive charge on all movable and immovable fixed assets (including Land to the extent of 16.86 acres) located at Company's plant at Krishnapuram village and pari passu second charge on all current assets of the Company, both present and future.

The interest rate of loan is 8.25% p.a and the loan is repayable in 20 equal quarterly installments of ₹0.70 Crore each after a moratorium period of 18 months from the date of first disbursement.

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

### 17. Other financial liabilities

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>a. Non - Current</b>		
Security deposits*	372.00	372.00
<b>Total</b>	<b>372.00</b>	<b>372.00</b>
<b>b. Current</b>		
Current maturities of Long term borrowings (refer note 16)		
Unpaid dividend	174.53	199.84
Derivative Financial Instruments	75.21	-
Creditors for capital works	145.45	64.20
Provision for over dues	48.78	-
<b>Total</b>	<b>443.97</b>	<b>264.04</b>

\*Security Deposits taken from dealers for supplying them shrimp feed on credit term. These deposits carry an interest of @ 9% per annum (31<sup>st</sup> March, 2023: 9% p.a.).

### 18. Provisions

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Provisions (refer note 38)</b>		
Provision for gratuity	276.52	201.59
Provision for leave encashment	130.59	93.01
<b>Total</b>	<b>407.11</b>	<b>294.60</b>
a. Non - Current portion	141.37	116.82
b. Current portion	265.74	177.78
<b>Total</b>	<b>407.11</b>	<b>294.60</b>

### 19. Other Liabilities :

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>a) Non-Current</b>		
Unamortised government grants (refer note (i) and (ii) below)	721.12	999.87
<b>Total</b>	<b>721.12</b>	<b>999.87</b>
<b>b) Current</b>		
Advance from customers	1,425.31	3,359.49
Statutory dues	425.85	364.46
Unamortised government grants (refer note (i) and (ii) below)	287.43	-
<b>Total</b>	<b>2,138.59</b>	<b>3,723.95</b>

#### Unamortised government grants includes

Investment subsidy of ₹ 500.00 lakhs received from Andhra Pradesh Food Processing Society, Government of Andhra Pradesh for setting up of new shrimp processing unit at Yerravaram, East Godavari District, Andhra Pradesh. There are no unfulfilled conditions or other contingencies

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

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 31<sup>st</sup> March, 2024 is ₹ 177.89 Lakhs (31<sup>st</sup> March, 2023: ₹ 225.47 lakhs).

Waiver of duties of ₹ 1,927.01 lakhs (31<sup>st</sup> March, 2022 ₹ 1,662.19 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 31<sup>st</sup> March, 2024 is ₹ 830.80 lakhs (31<sup>st</sup> March, 2023: ₹ 774.39 lakhs).

### 20. Current borrowings

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Secured:</b>		
Working capital loan from State Bank of India	-	-
Working capital loan from Axis Bank	-	-
<b>Total</b>	-	-

#### Notes

##### Working capital loan Limits:

##### Avanti Frozen Foods Private Limited

The working capital limits, sanctioned by State Bank of India and Axis Bank as at 31<sup>st</sup> March, 2024, are ₹ 8,000.00 lakhs and ₹ 3,500.00 lakhs, respectively (31<sup>st</sup> March, 2023: ₹ 8,000.00 lakhs and ₹ 3,500.00 lakhs, respectively).

Primary security: Pari passu first charge on all chargeable current assets, both current and future, of the Company along with other lenders under MBA.

Collateral security: Pari passu first charge on land & building, plant and equipments of shrimp processing Plants at Yerravaram and Gopalapuram, Andhra Pradesh, along with other lenders under MBA.

The working capital loans are repayable on demand and carries interest rate of 8.70%, MCLR 6M + 0.15%, on Cash Credit from State Bank of India and Axis Bank as per mutual agreed rates. For Export Packing Credit (EPC), interest rate is linked to State Bank of India MCLR and Pre-shipment Credit in foreign currency (PCFC) will be advised separately from time to time. Axis Bank rates for EPC and PCFC are as per mutual agreement.

Quarterly returns/monthly statements of current assets filed by the Company with banks are in agreement with the books of account.

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

**Note:** Debit balance in cash credit accounts as at 31<sup>st</sup> March, 2024 and March 31, 2023 have been grouped under the head "Cash and cash equivalents". The working capital limits, sanctioned by State Bank of India and Axis Bank as at 31<sup>st</sup> Dec, 2023 are ₹ 8,000.00 lakhs and ₹ 3,500.00 lakhs, respectively (31<sup>st</sup> March, 2023: ₹ 8,000.00 lakhs and ₹ 3,500.00 lakhs, respectively).

The loans are secured by way of first charge on all chargeable current assets of the Company, Property, Plant and Equipment of shrimp processing Plants at Yerravaram and Gopalapuram, Andhra Pradesh. The working capital loans are repayable on demand and carries interest rate of LIBOR+55 bps p.a. and LIBOR+50 bps p.a. on pre-shipment credit in foreign currency from State

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

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, 2023 have been grouped under the head "Cash and cash equivalents"

### Avanti Feeds Limited

The working capital limits, sanctioned by State Bank of India (SBI) and HDFC Bank as at 31<sup>st</sup> Dec, 2023, are ₹ 3,000.00 lakhs and ₹ 2,000.00 lakhs, respectively (31<sup>st</sup> March, 2023: ₹ 3,000.00 lakhs and ₹ 2,000.00 lakhs, respectively).

The working capital loan from SBI is secured by first charge on all current assets, Collateral First charge on fixed assets of the company. The same is repayable on demand and carries interest @ 8.70% p.a.

The working capital loan from HDFC Bank is secured by first charge on all current assets, Collateral First charge on Property, Plant and Equipment of the company. The same is repayable on demand and carries interest @ 9.25% p.a.

Note: Debit balance in cash credit accounts as at 31<sup>st</sup> March, 2024 (and 31<sup>st</sup> March, 2023) have been grouped under the head "Cash and Cash equivalents"

## 21. Trade payables

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Dues to micro enterprises and small enterprises (Refer note below).	3,083.64	1,118.46
Dues to creditors other than micro enterprises and small enterprises.	29,043.90	26,944.50
<b>Total</b>	<b>32,127.54</b>	<b>28,062.96</b>

### Dues to micro and small enterprises:

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

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Principal amount remaining unpaid to any supplier as at the end of the accounting year.	3,083.64	1,118.46
Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	-	-
The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid.	-	-

Ageing for trade payables outstanding as at 31<sup>st</sup> March, 2024 is as follows:

Particulars	outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Trade payables					
MSME	3,083.64	-	-	-	3,083.64
Others	7,447.10	-	-	-	7,447.10
Disputed dues - MSME	-	-	-	-	-
Disputed dues - others	-	-	-	-	-
Accrued expenses					21,596.80
<b>Total</b>	<b>10,530.74</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>32,127.54</b>

Ageing for trade payables outstanding as at 31<sup>st</sup> March, 2023 is as follows:

Particulars	outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Trade payables					
MSME	1,118.46	-	-	-	1,118.46
Others	10,404.22	3.64	4.93	13.20	10,425.99
Disputed dues - MSME	-	-	-	-	-
Disputed dues - others	-	-	-	-	-
Accrued expenses					16,518.51
<b>Total</b>	<b>11,522.68</b>	<b>3.64</b>	<b>4.93</b>	<b>13.20</b>	<b>28,062.96</b>

## 22. Income Taxes

(a) Deferred tax balance For the year ended 31<sup>st</sup> March, 2023

Particulars	Opening balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing balance
<b>Deferred tax liabilities/ (assets) in relation to</b>				
Depreciation & Amortization	1,085.77	44.07	-	1,129.84
Fair valuation of Investments	1,309.91	87.97	-	1,397.88
Provision for doubtful debts	(51.59)	-	-	(51.59)
MAT Credit Entitlement under Section 115JAA	(2,402.07)	1,753.54	-	(648.53)
Lease Liabilities	(124.54)	28.83	-	(95.71)
Others	17.30	8.12	-	25.42
<b>Total</b>	<b>(165.22)</b>	<b>1,922.53</b>	<b>-</b>	<b>1,757.31</b>

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

### For the period ended 31<sup>st</sup> March, 2024

Particulars	Opening balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing balance
Deferred tax liabilities/ (assets) in relation to				
Depreciation & Amortization	1,129.84	222.93	-	1,352.77
Fair valuation of Investments	1,397.88	465.76	-	1,863.64
Provision for doubtful debts	(51.59)	(28.92)	-	(80.51)
MAT Credit Entitlement under Section 115JAA	(648.53)	648.53	-	-
Lease Liabilities	(95.71)	13.74	-	(81.97)
Others	25.42	(50.46)	-	(25.04)
<b>Total</b>	<b>1,757.31</b>	<b>1,271.58</b>	<b>-</b>	<b>3,028.89</b>

### (b) Tax Assets

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Non - current tax assets (net of provision for tax)	2,338.29	1,620.34
<b>Total</b>	<b>2,338.29</b>	<b>1,620.34</b>

### (c) Tax Expense recognised in Profit and Loss

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Current tax expense		
In respect of the current year	12,881.52	9,707.21
In respect of the earlier years	151.55	(176.73)
<b>Total (a)</b>	<b>13,033.07</b>	<b>9,530.48</b>
Deferred tax expense		
In respect of the current year	1,271.59	1,922.53
<b>Total (b)</b>	<b>1,271.59</b>	<b>1,922.53</b>
<b>Total (a+b)</b>	<b>14,304.66</b>	<b>11,453.01</b>

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

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Profit before tax	53,685.59	46,937.69
Income tax expense	14,973.70	12,066.34
Deduction u/s 80IB of Income Tax Act (Refer note:1 below)	(449.64)	(609.65)
Exempt income	(1,424.58)	(83.98)
Deduction u/s 80M	(123.28)	(115.82)
Income tax paid at special rate	-	(39.93)
Expenses not deductible	1,007.81	214.72

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Impact of opening deferred tax liability due to change in effective tax rate/MAT adjustments of earlier years	24.88	151.62
Tax expense of earlier years	151.98	(178.63)
Interest on Income tax	-	0.64
Corporate Social Responsibility & Donations	143.23	156.39
Others	0.56	(108.69)
<b>Total</b>	<b>14,304.66</b>	<b>11,453.01</b>

### Note:

- Avanti Frozen Foods Private Limited has been availing deduction under section 80IB of the Income Tax Act, 1961 for the new shrimp processing Plant at Yerravaram, East Godavari, Andhra Pradesh, from the financial year 2017-18. The tax benefit on account deduction 80IB for the year ended 31<sup>st</sup> March, 2024 is ₹ 1286.75 lakhs (31<sup>st</sup> March, 2023: ₹ 609.65 lakhs)

## 23. Revenue from operations

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>Sale of Products</b>		
Finished goods - domestic - Billed	4,27,820.86	4,03,626.23
Finished goods - domestic - Unbilled	5.00	9.92
Finished goods - exports	1,03,344.69	1,00,049.00
Other operating revenue		
Export incentives	5,718.81	5,013.40
<b>Total</b>	<b>5,36,889.36</b>	<b>5,08,698.55</b>
<b>Reconciliation of Revenue from sale of products with contracted price</b>		
Contracted Price	6,34,924.14	5,99,233.16
Less : Sales Returns	(88.49)	(185.27)
Less : Trade and other Discounts	(1,03,665.10)	(95,362.74)
<b>Total</b>	<b>5,31,170.55</b>	<b>5,03,685.15</b>
<b>Finished goods sold</b>		
<b>Shrimp Feed &amp; Processed shrimp</b>		
i) Domestic	4,25,437.09	4,01,883.11
ii) Exports	1,03,344.69	1,00,049.00
Shrimp Seed	1,536.88	1,588.41
Power	163.15	160.50
Other sales	688.74	4.13
<b>Total</b>	<b>5,31,170.55</b>	<b>5,03,685.15</b>



## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

### 24. Other income (net)

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Interest Income on Financial Assets carried at amortized cost:		
Bank deposits	5,068.33	1,325.54
Non Convertible debentures	463.54	939.02
Others	1,127.05	432.41
Dividend Income:		
from investments mandatorily measured at FVTPL	1.83	-
Net gain on sale of investments:		
On sale of Mutual Funds	3,076.46	2,932.56
MTM gain on investments carried at fair value through profit or loss	1,637.49	333.70
Exchange gains / (losses) on translation of assets and liabilities	1,290.75	2,264.95
Other non-operating income	777.96	659.99
Profit on sale of property, plant and equipment	2.52	1.78
Fair value gain/(loss) on derivatives measured at fair value through profit and loss	(75.21)	71.50
Amortisation of government grant	256.13	240.33
<b>Total</b>	<b>13,626.85</b>	<b>9,201.78</b>

### 25. Cost of materials consumed

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Inventory at the beginning of the year	47,988.07	62,481.82
Add: Purchases	4,40,406.87	3,97,125.63
	<b>4,88,394.94</b>	4,59,607.45
Less: Inventory at the end of the year	54,183.29	47,988.07
<b>Cost of material consumed</b>	<b>4,34,211.65</b>	<b>4,11,619.38</b>
Purchase of bearer biological Assets:		
Purchase of brood stock	258.33	181.52
<b>Cost of material consumed</b>	<b>258.33</b>	<b>181.52</b>

### 26. Changes in inventories of finished goods and work -in-progress

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>Closing Stock</b>		
Finished goods	30,757.08	27,561.74
Work-in-progress	872.64	1,026.27
Biological assets	115.50	227.86
<b>Total</b>	<b>31,745.22</b>	<b>28,815.87</b>

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>Opening Stock</b>		
Finished goods	27,561.74	27,754.73
Work-in-progress	1,026.27	938.12
Biological assets	227.86	166.66
<b>Total</b>	<b>28,815.87</b>	<b>28,859.51</b>
<b>Net (increase)/decrease</b>	<b>(2,929.35)</b>	<b>43.64</b>

### 27. Employee benefits expense

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Salaries, wages and bonus	18,006.46	15,007.53
Contribution to provident and other funds	1,184.31	1,019.21
Gratuity expense (refer note no. 38)	285.58	239.04
Staff welfare expenses	478.47	418.26
<b>Total</b>	<b>19,954.82</b>	<b>16,684.04</b>

### 28. Depreciation and amortisation expense

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Depreciation of property, plant and equipment	5,372.83	4,066.13
Depreciation on ROU asset	259.46	184.94
Amortisation of intangible assets	7.63	8.38
<b>Total</b>	<b>5,639.92</b>	<b>4,259.45</b>

### 29. Finance costs

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Interest expense		
- Interest on bank overdrafts and loans	31.93	2.22
- Interest on leases	24.56	31.16
Other borrowing costs	74.21	168.75
<b>Total</b>	<b>130.70</b>	<b>202.13</b>

### 30. Other expenses

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Rent (Refer Note i)	270.68	694.95
Power and fuel	9,410.49	9,025.78
Repairs and maintenance;		
- Buildings	594.24	265.04
- Plant and machinery	745.84	514.95
- Others	29.65	18.36
Consumable stores	3,663.98	3,697.51

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Other manufacturing expenses	9,580.83	8,760.20
Rates and taxes	323.15	391.54
Insurance	960.43	956.71
Electricity Charges	10.34	10.22
Vehicle maintenance	210.79	184.20
Travelling and conveyance	1,080.29	1,028.30
Communication expenses	82.60	68.79
Printing and stationery	77.84	70.77
Directors' Sitting Fee	61.52	59.85
Auditors Remuneration (refer note (ii))	87.43	81.34
Professional charges	351.59	295.00
Corporate Social Responsibility (refer note no. 35)	762.71	809.99
Donations	5.18	15.05
Bank charges	148.77	187.12
Assets Written off	10.18	10.90
Advertisement	75.72	11.74
Carriage outward	625.65	785.11
Ocean freight and export expenses	4,871.37	7,602.10
Marketing expenses	3,488.17	3,491.29
Royalty	894.62	964.30
Loss on disposal of property, plant and equipment	4.10	0.85
Commission on profits to Non executive Directors	100.00	100.00
Expected credit loss expense	82.76	-
Preliminary and Pre-operative expenses	19.26	-
General expenses	955.78	766.04
<b>Total</b>	<b>39,585.96</b>	<b>40,868.00</b>

### Notes:

#### i) Operating leases:

Lease payments made under operating leases aggregating to ₹ 270.68 lakhs (31<sup>st</sup> March, 2023: ₹ 694.95 lakhs) have been recognized as an expense in the Statement of Profit and Loss. The future minimum lease commitments under non-cancellable operating leases are nil.

#### ii) Auditors' remuneration comprises of:

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
As Auditors	62.80	55.40
Tax Matters	3.50	3.50
Other Services	8.72	10.08
Reimbursement of expenses	12.41	12.36
<b>Total</b>	<b>87.43</b>	<b>81.34</b>

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

### 31. Exceptional items

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Provision for product recall	-	812.00
Investment in subsidiaries written off	-	7.21
Loans to subsidiaries written off	-	511.33
<b>Total</b>	<b>-</b>	<b>1,330.54</b>

In the previous year, consequent to 9 cases of Salmonella related sickness reported in USA, USFDA/CDC in their investigation through whole genome sequence analysis and trace back of products supplied by the Company, determined that the cause of the sickness in the person is the cooked shrimp products supplied by Avanti Frozen Foods Private Limited (Subsidiary Company/ AFFPL). USFDA / CDC had instructed the Company to recall cooked products distributed in the US market during the period from November, 2021 to May, 2022. Accordingly, Company has recalled 791.10 MT of cooked shrimps valued ₹ 6,622.32 lakhs. Company charged to profit and loss for the year ended March 31, 2023, the value of the product destroyed and related recall expenses amounting to ₹ 812.00 lakhs (Previous year: ₹ 2,750.00 lakhs), as an exceptional item.

Avanti Frozen Foods Inc., USA (AFFI), a wholly owned subsidiary of Avanti Frozen Foods Private Limited, has been dissolved with effect from 27th March, 2023, as the continuing its business of trading in shrimps and seafood is not viable due to impact of COVID-19. Consequent to the said dissolution of AFFI, the Company has written off the investment in AFFI amounting to ₹ 7.21 Lakhs and the unsecured loan, to the extent of unrealisable, amounting to ₹ 511.33 Lakhs has been written off and shown under exceptional item.

### 32. Earnings per share

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Profit attributable to equity holders of parent entity	<b>35,714.19</b>	27,867.23
Net Profit for calculation of Basic and Diluted EPS (A)	<b>35,714.19</b>	27,867.23
Weighted average number of equity shares for Basic EPS (B) (nos.)	<b>13,62,45,630</b>	13,62,45,630
<b>(a) Basic earnings per share (in ₹) (A/B)</b>	<b>26.21</b>	<b>20.45</b>
There is no dilution to the basic earnings per share as there are no dilutive potential equity shares.		

### 33. Contingent Liabilities

Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Demands raised by customs, service tax, sales tax, income tax and other authorities, being disputed by the Company *	<b>505.33</b>	102.27

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

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

Name of the Statute/ Description of disputes	Nature of the Dues	Amount	Period to which the amount relates	Forum where dispute is pending
Madhya Pradesh VAT Act, 2002	Sales tax (MP VAT demand for soya transactions in 2005-06)	29.22	2005-06	High Court of Madhya Pradesh
Customs Act, 1962	Customs duty	60.82	2009 -2011 & 2011-2012	CESTAT, Chennai
Income tax Act	Income tax	12.23	2013-2014	Commissioner Appeals, Income tax, Hyderabad
Customs Act, 1962	Customs duty	11.44	2017-2018 & 2018-2019	The Commissioner of Customs (Appeals), JNCH- Navaseva, Mumbai
GST Act	GST	56.57	2017-2018	Appellate Additional Commissioner of State Tax, Vijayawada
Income tax Act	Income tax	9.05	2014-2015	Commissioner Appeals, Income tax, Hyderabad
Disputed claims raised by supplier	GAIL (India) Limited	296.00	2005 to 2010	Hon'ble Supreme court of India
Disputed claims raised by supplier	ONGC	30.00	June 2014 & July 2014	Hon'ble Districts and Sessions Court, East Godavari Dist., Rajahmundry
<b>Total</b>		<b>505.33</b>		

- i) The Company purchased soya bean in the year 2004-05, converted the same in to DOC in 2005-06 and used some part for own consumption in manufacturing of shrimp feed and some part was exported. The resultant soya oil was sold locally. The Sales Tax Act pertaining to soya bean processing and soya oil sale was amended with effect from 13.12.2004 and Commercial Tax department took the view that the soya bean purchased prior to 13.12.2004 will attract tax at old rates and a demand to ₹ 29.22 lakhs was raised. This is being contested by the Company in the High Court of Madhya Pradesh.
- ii) Company is importing Squid Liver Powder (SLP) which is one of the raw materials for manufacturing of shrimp feed. SLP is imported by the Company under raw material classification. However, Customs has disputed our claim and demanding duty applicable for import of complete feed. Company appealed against the order of CESTAT, Chennai, before Madras High Court.  
  
The Company is contesting the demands and the management, including its tax advisors, believe that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the company's financial position and results of operations.
- iii) The Income Tax Department has completed the assessment for the asst. year 2013-14 and has raised an additional demand of ₹ 12.23 Lakhs which the Company has contested and filed an appeal with the Commissioner of Appeals, Income Tax.
- iv) The Company has purchased spares like pellet dies etc. in the year 2017-2018 & 2018-2019 under stores & spares classification and paid IGST @12%. In the year 2022-23 customs has reclassified these items and charged IGST @18% and asked the Company to pay differential tax along with Interest. The Company has paid the differential amount of GST along with interest and asked waiver for fine and penalty. But the customs department has raised a fine

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

₹ 7,00,000/- and penalty ₹ 4,44,140/-. Aggrieved by the demand the Company has filed an appeal with the Commissioner of Customs (Appeals), Maharashtra.

The Company is contesting these demands and believes that its position will likely be upheld in the appellate process. Accordingly, the Company has not accounted the fine and penalty raised by the GST authorities. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Company's financial position and results of operations.

- iv) The department of commercial taxes has conducted GST audit for the financial year 2017-18 and issued a show cause notice for non-reversal of input tax credit under rule 42, for MEIS scrips sales. The Company has filed a response that ITC on common inputs were reversed during the investigation by Anti Evasion, Central Tax, Kakinada and submitted evidence of payment to the department. However, the department has calculated reversal of ITC on total inputs instead of common inputs and passed an order u/s 73 on 28/12/2023, with a demand of ₹ 56.57 lakhs, including interest. The Company has filed an appeal against department's order, before the Appellate Additional Commissioner of State Tax, Vijayawada on 26<sup>th</sup> March, 2024.

The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Company's financial position and results of operations

- v) The Company disputed the demand raised by the Income Tax department for the financial year 2014-15 and approached Commissioner appeal for resolution. In this regard paid an amount of ₹ 8.00 Lakhs.
- vi) The Company disputed the demands raised by GAIL (India) Limited with respect to retrospective revision in prices of gas supplied during July, 2005 to March, 2010. The Company paid the amount of ₹ 296 lakhs under protest. The matter is pending with Hon'ble Supreme Court of India.
- vii) The Company disputed the demand raised by Oil and Natural Gas Corporation Limited (ONGC) with respect to increase in price of gas supplied during June, 2014 to July, 2014 for an amount of ₹ 30 lakhs. The matter is submitted to arbitrator as per the order of Hon'ble Districts and Sessions Court, East Godavari district, Rajahmundry.

### 34. Capital commitments

Estimated amount of contracts remaining to be executed to the extent not provided for (net of advances) for ₹ 956.30 lakhs (31<sup>st</sup> March, 2023 ₹ 3,522.91 lakhs)

### 35. Corporate Social Responsibility Expenditure

During the year, the amount required to be spent on corporate social responsibility activities amounted to ₹ 762.70 lakhs (31<sup>st</sup> March, 2023 : ₹ 809.99 lakhs) in accordance with Section 135 of the Act. The following amounts were actually spent during the current & previous year:

Amount spent during the year on:	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
<b>i. Details of corporate social responsibility expenditure:</b>		
A. Amount required to be spent during year	<b>762.71</b>	809.99
B. Amount spent during the year		
1. Construction/acquisition of any asset	-	-
2. Purpose other than (1) above	<b>337.71</b>	809.99
C. Shortfall at the end of the year	<b>425.00</b>	172.86
D. Total including previous years shortfall	<b>537.86</b>	172.86

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

Amount spent during the year on:	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
E. Reason for shortfall	Pertaining to ongoing projects	
F. Nature of CSR activities	Promoting Education, Healthcare, Rural Development, Disaster relief, Technological advancement.	
G. Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard:	-	-
Contribution to Avanti Foundation in relation to CSR expenditure	244.94	377.94
H. Provision made with respect to a liability incurred by entering into a contractual obligation	425.00	172.86

### 36. Related party disclosures

#### 1. Names of related parties and related party relationship:

Related parties with whom transactions have taken place during the year	
<b>Key Managerial Personnel (KMP)</b>	<b>Wholetime Directors:</b> Dr. A. Indra Kumar, Chairman and Managing Director Sri C. Ramachandra Rao, Joint Managing Director, Company Secretary and CFO Sri A. Venkata Sanjeev, Executive Director Sri A. Nikhilesh Chowdary, Executive Director
<b>Non whole time directors</b>	Sri J. V. Ramudu Sri N. Ram Prasad Sri NVDS Raju Sri Bunluesaak Sorajjakit Sri Peerasak Boonmechote Smt. K. Kiranmayee Sri V. Narsi Reddy Sri G. Sudarshan Babu, IAS Sri K. Srinivasa Reddy Sri K. Ramamohana Rao Smt Y. Prameela Rani
<b>Executive Officers</b>	Narendra Sharma - Company Secretary D.V.S. Satyanarayana - Chief Financial Officer
<b>Entities having significant influence over the Company</b>	Thai Union Group PCL, Thailand ("TUG") Tri-union Frozen Products Inc. (Chicken of the Sea Frozen Foods) (a subsidiary of TUG) Thai Union China Co. Ltd (a subsidiary of TUG) Thai Union Feed Mill Co. Ltd. (a subsidiary of TUG) Thai Union Asia Investments Holding Co. Ltd. Srinivasa Cystine Private Limited

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

Related parties with whom transactions have taken place during the year	
<b>Associate Companies</b>	Patikari Power Private Limited
<b>Entities over which KMP has significant influence</b>	Sanjeev Agro - Vet Private Limited
	Sri Sai Srinivasa Agro Farms & Developers LLP
	Avanti Foundation
	A.V.R. Trust
	C.R. Reddy College
	Sakuntala Professional Associates LLP
	Nava Limited (Formerly known as Nava Bharat Ventures Limited)
	RBS - TU Food Ingredients Private Limited

### 2. Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

Particulars	Key Management Personnel		Associate Companies		Entities having significant Influence over the company		Entities over which KMP has significant influence	
	For the year ended		For the year ended		For the year ended		For the year ended	
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Whole time directors remuneration	6,088.38	4,832.79	-	-	-	-	-	-
Non whole time directors sitting fees and commission **	160.10	159.85	-	-	-	-	-	-
Remuneration to Executive Officers	66.51	22.41	-	-	-	-	-	-
Rent paid	13.33	12.71	-	-	4.40	-	-	-
Rent Received	-	-	-	-	2.41	2.28	1.55	1.48
Contribution towards corporate social responsibility	-	-	-	-	-	-	244.94	377.94
Royalty paid	-	-	-	-	894.86	964.30	-	-
Dividend paid	1,134.50	1,134.50	-	-	4,530.62	4,530.62	264.70	264.70
Dividend received	-	-	37.26	159.68	-	-	-	-
Legal Services received	-	-	-	-	-	-	28.32	16.09
Sale of MEIS Licences	-	-	-	-	-	-	-	58.87
Sale of products	-	-	-	-	38,331.36	41,668.57	-	-
Purchase of goods	-	-	-	-	19.72	32.40	461.90	167.67



## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

### Year end balance

Particulars	Key Management Personnel		Associate Companies		Entities having significant Influence over the company		Entities over which KMP has significant influence	
	As at		As at		As at		As at	
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Whole time directors remuneration	<b>5,048.68</b>	3,910.24	-	-	-	-	-	-
Non whole time directors sitting fees and commission **	<b>100.00</b>	100.00	-	-	-	-	-	-
Rent deposits paid	-	-	-	-	-	-	-	-
Rent deposit received	-	-	-	-	<b>0.45</b>	0.45	<b>0.24</b>	0.24
Royalty	-	-	-	-	<b>157.53</b>	179.56	-	-
Investment	-	-	<b>1,064.52</b>	1,064.52	-	-	-	-
Legal Services payable	-	-	-	-	-	-	-	-
Purchase of goods	-	-	-	-	<b>1.38</b>	0.39	<b>0.10</b>	0.16
Sale of products	-	-	-	-	<b>180.14</b>	116.35	-	-

\*below the rounding off norm adopted by the Company.

\*\* Commission to whole time directors and non whole time directors will be paid after approval of books of accounts at the ensuing A.G.M.

### 37. Segment reporting

The Company's Chairman and Managing Director (CMD) examines the group's performance both from a product and geographic perspective and has identified the following segments of its business:

Shrimp Feed is manufactured & marketed to the farmers, which is used in Aqua culture to grow shrimp.

Shrimp Hatchery produces shrimp seed and marketed to the aqua farmers

Shrimp are purchased from the farmers and are further processed and exported to various countries.

The Group had installed four wind mills of 3.2 MW at Chitradurga, Karnataka. Power generated from wind mills is sold to BESCO under Power Purchase agreement.

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

Particulars	Shrimp Feed		Shrimp Processing		SPPL		Power		Hatchery		Un allocated		Total	
	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2024	
<b>Revenue</b>														
External Sales	4,27,314.45	4,02,386.60	1,08,186.65	1,04,748.42	-	-	163.15	160.50	1,550.88	1,588.41	-	-	5,37,215.13	5,08,883.93
Inter-segment sales	(325.77)	(185.38)	-	-	-	-	-	-	-	-	-	-	(325.77)	(185.38)
<b>Total Revenue</b>	<b>4,26,988.68</b>	<b>4,02,201.22</b>	<b>1,08,186.65</b>	<b>1,04,748.42</b>	-	-	<b>163.15</b>	<b>160.50</b>	<b>1,550.88</b>	<b>1,588.41</b>	-	-	<b>5,36,889.36</b>	<b>5,08,698.55</b>
<b>Segment Result</b>														
Operating Profit	30,535.45	24,590.72	10,154.90	10,382.58	(185.95)	-	19.80	19.67	(220.89)	49.55	(135.27)	-	40,168.04	35,042.52
Share of Profit / (Loss) from Associates	-	-	-	-	-	-	21.41	(33.39)	-	-	-	-	21.41	(33.39)
Minority interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Income	447.90	592.24	3,022.23	3,180.12	22.56	-	-	-	38.00	3.89	10,096.15	5,425.53	13,626.84	9,201.78
Interest Expense	52.84	73.54	75.57	127.74	-	-	-	-	1.52	0.86	0.76	-	130.70	202.14
Exceptional item	-	-	-	(1,330.54)	-	-	-	-	-	-	-	-	-	(1,330.54)
Income Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Current Tax	-	-	3,273.21	2,264.38	-	-	-	-	-	-	9,759.86	7,266.10	13,033.07	9,530.48
Deferred Tax	-	-	1,136.97	1,792.15	-	-	-	-	-	-	134.62	130.38	1,271.59	1,922.53
<b>Net Profit after tax</b>	<b>30,930.51</b>	<b>25,109.42</b>	<b>8,691.38</b>	<b>8,047.89</b>	<b>(163.39)</b>	-	<b>41.21</b>	<b>(13.72)</b>	<b>(184.41)</b>	<b>52.58</b>	<b>65.64</b>	<b>(1,970.94)</b>	<b>39,380.94</b>	<b>31,225.22</b>
<b>Other Information</b>														
Segment Assets	1,03,181.78	95,099.67	70,046.86	55,771.13	1,281.46	-	1,607.29	1,814.42	3,435.03	3,402.94	1,30,266.80	1,17,376.70	3,09,819.22	2,73,464.86
Segment Liabilities	23,306.00	23,159.21	9,010.39	5,607.51	49.51	-	38.21	82.31	100.64	82.31	8,387.16	6,848.74	40,891.91	35,780.08
<b>Capital Employed</b>	<b>79,875.78</b>	<b>71,940.46</b>	<b>61,036.47</b>	<b>50,163.62</b>	<b>1,231.95</b>	-	<b>1,569.08</b>	<b>1,732.11</b>	<b>3,334.39</b>	<b>3,320.63</b>	<b>1,21,879.64</b>	<b>1,10,527.96</b>	<b>2,68,927.32</b>	<b>2,37,684.78</b>

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

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

	India		USA		Rest of the world	
	For the Year Ended 31 <sup>st</sup> March,		For the Year Ended 31 <sup>st</sup> March,		For the Year Ended 31 <sup>st</sup> March,	
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Revenue	<b>4,33,544.67</b>	4,08,648.55	<b>76,013.88</b>	68,870.80	<b>27,330.81</b>	31,179.19
Location of assets	<b>2,99,351.14</b>	2,67,071.16	<b>4,710.02</b>	951.99	<b>5,758.06</b>	5,441.70
Additions to fixed assets	<b>16,864.56</b>	2,176.93	-	-	-	-

The Group have no customers (previous year two customers) revenue from whom accounts for more than 10% of the group company's total revenue.

### 38 Employee Benefits

#### (i) Leave obligations

The leave obligations cover the group's liability towards earned leave.

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

Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Current leave obligations expected to be settled within the next 12 months	130.51	93.02

#### (ii) Defined Contribution Plans

The Group also has certain defined contribution plans. Contributions are made to provident fund (at the rate of 12% of basic salary), Employee State Insurance and Super Annuation fund in India for employees as per regulations. The contributions are made to registered funds administered by the government. The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is ₹ 818.73 lakhs (31<sup>st</sup> March, 2023 ₹ 679.81 lakhs)

#### (iii) Defined benefits Plan

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

#### Balance sheet amounts- Gratuity

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

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

Particulars	31 <sup>st</sup> March, 2024			31 <sup>st</sup> March, 2023		
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount
Opening balance	2,442.36	2,273.78	168.58	2,063.78	1,990.66	73.12
Current Service Cost	268.37	-	268.37	233.91	-	233.91
Past Service Cost	-	-	-	-	-	-
Interest expense/(income)	183.22	-	183.22	147.48	-	147.48
Interest income	-	170.59	(170.59)	-	142.35	(142.35)
Contributions	-	-	-	-	-	-
<b>Total amount recognised in profit or loss</b>	<b>451.59</b>	<b>170.59</b>	<b>281.00</b>	<b>381.39</b>	<b>142.35</b>	<b>239.04</b>
Remeasurements						
Return on plan assets, excluding amounts included in interest expense/(income)	-	13.48	(13.48)	-	1.52	(1.52)
(Gain)/loss from change in demographic assumptions	-	-	-	-	-	-
(Gain)/loss from change in financial assumptions	75.80	-	75.80	(64.15)	-	(64.15)
Experience (gains)/losses	60.60	-	60.60	91.82	-	91.82
<b>Total amount recognised in other comprehensive income</b>	<b>136.40</b>	<b>13.48</b>	<b>122.92</b>	<b>27.67</b>	<b>1.52</b>	<b>26.15</b>
Employer contributions	-	322.64	(322.64)	-	169.72	(169.72)
Benefit payments	(39.06)	(39.06)	-	(30.46)	(30.46)	-
<b>Closing Balance</b>	<b>2,991.29</b>	<b>2,741.43</b>	<b>249.86</b>	<b>2,442.38</b>	<b>2,273.79</b>	<b>168.59</b>

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

Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Present value of funded obligations	2,991.29	2,442.38
Fair value of plan assets	2,741.43	2,273.79
<b>Deficit of funded plan</b>	<b>249.86</b>	<b>168.59</b>
Unfunded plans	-	-
<b>Deficit of gratuity plan</b>	<b>249.86</b>	<b>168.59</b>

### (ii) Significant estimates: actuarial assumptions

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

Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Discount rate	7.15%	7.50%
Salary escalation rate	10.00%	10.00%
Employee attrition rate	10.00%	10.00%
Assumptions regarding mortality rate are set based on actuarial advice in accordance with published statistics.	IALM (2012-14) Ult.	IALM (2012-14) Ult.
<b>Normal retirement age</b>	<b>60 years</b>	<b>60 years</b>

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

### (iii) Sensitivity analysis

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

Particulars	Change in assumption			Increase in assumption			Decrease in assumption	
	31 <sup>st</sup> March 2024 (₹ in lakhs)	31 <sup>st</sup> March 2023 (₹ in lakhs)		31 <sup>st</sup> March 2024 (₹ in lakhs)	31 <sup>st</sup> March 2023 (₹ in lakhs)		31 <sup>st</sup> March 2024 (₹ in lakhs)	31 <sup>st</sup> March 2023 (₹ in lakhs)
Discount rate	1.00%	1.00%	Decrease by	215.24	174.33	Increase by	251.87	203.76
Attrition rate	50.00%	50.00%	Decrease by	104.33	75.47	Increase by	152.48	110.08
Salary escalation rate	1.00%	1.00%	Increase by	181.53	147.19	Decrease by	156.89	128.02

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

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

### (iv) The major categories of plan assets are as follows

Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Funds managed by Life Insurance Corporation of India	2,741.43	2,273.79
<b>Total</b>	<b>2,741.43</b>	<b>2,273.79</b>

### (v) Risk exposure

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

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

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

### (vi) Defined benefit liability and employer contributions

Expected contributions to post-employment benefit plans for the year ending 31<sup>st</sup> March, 2025 is ₹ 502.07 lakhs.

Particulars	Less than a year	Between 2-5 years	Between 6-10 years	More than 10 years
<b>31<sup>st</sup> March, 2024</b>				
Gratuity	857.03	748.59	1,068.84	3,624.56
<b>Total</b>	<b>857.03</b>	<b>748.59</b>	<b>1,068.84</b>	<b>3,624.56</b>
<b>31<sup>st</sup> March, 2023</b>				
Gratuity	682.58	599.63	938.72	3,138.09
<b>Total</b>	<b>682.58</b>	<b>599.63</b>	<b>938.72</b>	<b>3,138.09</b>

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

### 39. Fair value measurements

Financial instruments by category	31 <sup>st</sup> March 2024		31 <sup>st</sup> March 2023	
	Amortised Cost	FVPL	Amortised Cost	FVPL
<b>Financial Assets</b>				
Investments				
- in equity instruments (quoted)	-	6.40	-	3.20
- in equity instruments (unquoted)	-	995.77	-	995.77
- in mutual funds	-	49,774.45	-	65,554.79
- Non Convertible debentures	1,515.21	1,058.47	1,512.81	7,375.93
- Investments in term deposits	19,914.12	-	23,794.09	-
Trade receivables	14,346.96	-	12,155.06	-
Cash and cash equivalents	1,251.96	-	3,363.66	-
Other bank Balances	72,520.03	-	25,413.66	-
Loans	425.83	-	350.31	-
Security deposits	1,426.87	-	1,306.13	-
Derivative Financial Assets	-	-	204.53	-
<b>Total Financial Assets</b>	<b>1,11,400.98</b>	<b>51,835.09</b>	<b>68,100.25</b>	<b>73,929.69</b>
<b>Financial Liabilities</b>				
Borrowings	1,394.03	-	-	-
Current maturities of long term debt from banks	-	-	-	-
Security deposits	372.00	-	372.00	-
Lease Liabilities	269.44	-	305.35	-
Unpaid dividends	174.53	-	199.84	-
Trade payables	32,127.54	-	28,062.96	-
Derivative financial instrument	-	-	-	-
Capital creditors	145.45	-	64.20	-
<b>Total Financial Liabilities</b>	<b>34,482.99</b>	<b>-</b>	<b>29,004.35</b>	<b>-</b>

#### (i) Fair value hierarchy

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

The fair value of quoted equity investments, has been classified as Level 1 in the fair value hierarchy as the fair value has been determined on the basis of market value. The fair value of unquoted equity instruments has been classified as Level 2 in the fair value hierarchy as the fair value has been determined on the basis of discounted cash flows. The fair value of mutual funds is classified as Level 2 in the fair value hierarchy as the fair value has been determined on the basis of Net Assets Value (NAV) declared by the mutual fund. The fair value of Financial

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

derivative contracts has been classified as Level 2 in the fair value hierarchy as the fair value has been determined on the basis of mark-to-market provided by the Bank from which the contract has been entered. The corresponding changes in fair value of investment is disclosed as 'Other Income'.

### 40. Financial Risk Management

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

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, trade receivables, security deposits, other bank deposits and loans	Ageing analysis Credit ratings of customers and fellow subsidiaries	Credit monitoring for customers. Diversification of bank deposits.
Liquidity Risk	Borrowings	Cash flow forecasts managed by Joint Managing Director (JMD).	Working capital management by General Manager in under the guidance of Joint Managing Director. The excess liquidity is channelised through mutual funds and bank deposits.
Market Risk - interest rate	Long term borrowings at variable rate	Sensitivity analysis	Capital is managed by Managing Director. The capital requirements are managed by analyzing the funds requirement and budgets in conjunction with the strategic plan.
Market Risk - Price risk	From investment in equity shares	Market and price sensitivity analysis.	The portfolio is not large and the risk is not significant.
Market Risk - foreign exchange rate	Future commercial transactions (receivable/payables)	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts

The Group's risk management is carried out by the JMD under policies approved by the Risk Management Committee a sub-committee of the Board of Directors. The Committee provides guiding principles for overall risk management, as well as policies covering specific areas such as interest rate risk, credit risk and investment of excess liquidity.

#### Credit Risk

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

Credit risk is managed by the Marketing General Manager of AFL. The Group has few customer with most of them being foreign customers. The Group provides a credit period of 60-90 days which is in line with the normal industry practice.

The Marketing GM undertakes the credit analysis of each customer before transacting. The finance team under the guidance of Marketing GM also periodically review the credit rating of the customers and follow up on long outstanding invoices.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on going basis through out each reporting

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

period. To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. The below factors are considered:

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

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

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

### (ii) Provision for expected credit losses

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

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



## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

### Year Ended 31<sup>st</sup> March, 2024

Expected credit losses for loans, deposits and other receivables, excluding trade receivables

Particulars	Asset Group	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
<b>Loss allowance measured at 12 month expected credit losses</b> - Financial assets for which credit risk has not increased significantly since initial recognition	Loans	425.83	0%	-	425.83
	Security deposits	1,426.87	0%	-	1,426.87
	Freight reimbursement receivable	-			
	Other bank balances	72,520.03	0%	-	72,520.03

### Year Ended 31<sup>st</sup> March, 2023

Expected credit losses for loans, deposits and other receivables, excluding trade receivables

Particulars	Asset Group	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
<b>Loss allowance measured at 12 month expected credit losses</b> - Financial assets for which credit risk has not increased significantly since initial recognition	Other bank balances	25,413.66	0%	-	25,413.66
	Loans	350.31	0%	-	350.31
	Security deposits	1,306.13	0%	-	1,306.13

### Expected credit loss for trade receivables under simplified approach

#### Year ended 31<sup>st</sup> March, 2024

Ageing	below 6 months	6 months to one year	1-2 years	2-3 years	More 3 years	Total
Gross carrying amount	14,182.40	16.25	82.76	0	148.31	14,429.72
Expected loss rate	0%	0%	0%	0%	0%	0%
Expected credit loss	-	-	82.76	-	-	82.76
Carrying amount of trade receivables (net of impairment)	14,182.40	16.25	-	-	148.31	14,346.96

#### Year ended 31<sup>st</sup> March, 2023

Ageing	below 6 months	6 months to one year	1-2 years	2-3 years	More 3 years	Total
Gross carrying amount	10,008.77	1972.01	8.8	17.17	394.13	12,400.88
Expected loss rate	0%	0%	0%	0%	100%	0%
Expected credit loss	-	-	-	-	245.82	245.82
Carrying amount of trade receivables (net of impairment)	10,008.77	1,972.01	8.80	17.17	148.31	12,155.06

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

### Liquidity Risk

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

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

### (i) Maturities of financial liabilities

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

#### Contractual cash flows

31 <sup>st</sup> March, 2024	Carrying amount	Total	0-1 year	1-2 years	2-3 years	More than 3 years
Borrowings	1,394.03	1,394.03	1,394.03	-	-	-
Trade payables	32,127.54	32,126.98	32,126.98	-	-	-
Derivative financial instrument	-	-	-	-	-	-
Security deposits	372.00	372.00	-	-	-	372
Capital creditors	145.45	102.52	102.52	-	-	-
<b>Total</b>	<b>34,039.02</b>	<b>33,995.53</b>	<b>33,623.53</b>	<b>-</b>	<b>-</b>	<b>372.00</b>

#### Contractual cash flows

31 <sup>st</sup> March 2023	Carrying amount	Total	0-1 year	1-2 years	2-3 years	More than 3 years
Borrowings	-	-	-	-	-	-
Trade payables	28,062.96	28,062.96	28,041.19	3.64	4.93	13.20
Derivative financial instrument	-	-	-	-	-	-
Security deposits	372.00	372.00	-	-	-	372.00
Capital creditors	64.20	102.52	102.52	-	-	-
<b>Total</b>	<b>28,499.16</b>	<b>28,537.48</b>	<b>28,143.71</b>	<b>3.64</b>	<b>4.93</b>	<b>385.20</b>

### Market Risk - Interest Risk

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

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

Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Variable rate borrowings	1,394.03	-
<b>Total</b>	<b>1,394.03</b>	<b>-</b>

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

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

Particulars	Weighted Average Interest rate %	Balance	% of total borrowings	Weighted Average Interest rate %	Balance	% of total borrowings
<b>Financial Liabilities</b>						
Long term borrowings		1,394.03	0%		-	0%
Current borrowings		-	0%		-	0%
<b>Total</b>		<b>1,394.03</b>	<b>0%</b>		<b>-</b>	<b>0%</b>

### Sensitivity

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

Particulars	Weighted Average Interest rate %	Balance	% of total borrowings	Weighted Average Interest rate %	Balance	% of total borrowings
Interest rate - Increases by 100 basis points		13.94			-	
Interest rate - Decreases by 100 basis points		(13.94)			-	

### Market risk - Price Risk

The Group's investments in quoted equity securities is limited, there is no exposure to price risk.

### Foreign currency risk

The Group is exposed to foreign exchange risk arising from foreign currency transactions, mainly in the nature of sales denominated in foreign currencies and other expenditures. As a policy, the Group does not hedge any of its exposure to foreign currency. The Group's exposure to foreign currency risk at the end of the reporting period are as follows:

Particulars	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	Amount in Foreign Currency	Amount in ₹ (lakhs)	Amount in Foreign Currency	Amount in ₹ (lakhs)
<b>Trade and other payables</b>				
USD	7,18,671	599.18	6,78,652	558.11
EURO	43,116	38.90	61,949	55.51
<b>Working Capital loans</b>				
USD	-	-	-	-
<b>Balance in EEFC account</b>				
USD	105	0.08	105	0.08

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

Particulars	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	Amount in Foreign Currency	Amount in ₹ (lakhs)	Amount in Foreign Currency	Amount in ₹ (lakhs)
<b>Trade Receivables</b>				
USD	1,22,15,943	10,180.52	70,24,119	5,581.44
EURO	3,68,199	332.18	3,64,178	326.33
<b>Unsecured loans given</b>				
USD	-	-	1,61,800	123
<b>Derivatives outstanding</b>				
<b>Forward contracts</b>				
To buy USD	-	-	-	-
To sell USD	2,79,95,379	23,569.56	1,20,86,944	10,013.42
<b>Share application money pending allotment</b>				
IDR	5,27,80,000	2.79	5,27,80,000	2.79
<b>Net exposure (Receivable/payable)</b>	<b>3,66,07,081</b>	<b>(13,692.07)</b>	<b>4,71,79,057</b>	<b>(4,839)</b>
<b>Net Exposure in USD</b>	<b>(1,64,98,002)</b>	<b>(13,988)</b>	<b>(59,03,172)</b>	<b>(5,113)</b>

### Sensitivity

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

Particulars	Impact on profit after tax and equity	
	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Increase in USD rate by 1%	(139.88)	(49.90)
Decrease in USD rate by 1%	139.88	49.90

## 41. Capital management

### (a) Risk Management

The Group's objectives when managing capital are to

- > safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- > Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Group has been maintaining a steady dividend.

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

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

The gearing ratios were as follows:

Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Net debt	1,394.03	-
Total equity	2,68,927.32	2,37,684.78
Net debt to equity ratio	1%	0%

### (b) Dividends

Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
<b>Equity Shares</b>		
i) Dividend of AFL for the year ended 31 <sup>st</sup> March, 2023 of ₹ 6.25 (31 <sup>st</sup> March 2022 ₹ 6.25) per fully paid share.	8,515.35	8,515.35
ii) Dividend of AFFPL for the year ended 31 <sup>st</sup> March, 2023 of ₹ 5.00 (31 <sup>st</sup> March 2022: ₹ 5.00) per fully paid share.	751.25	500.83
Dividends not recognised at the end of the reporting period		
i) In addition to the above dividends, since year end the directors have recommended the payment of a dividend of ₹ 6.75 per fully paid equity share (31 <sup>st</sup> March, 2023 – ₹ 6.25) of AFL.	9,196.58	8,515.35
ii) In addition to the above dividends, since year end the directors have recommended the payment of a dividend of ₹ 8.50 per fully paid equity share (31 <sup>st</sup> March, 2023 – ₹ 7.50) of AFFPL.	851.42	751.25
This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.		

## 42 Additional Regulatory Information: Ratios

Ratio	Numerator	Denominator	Current Year	Previous Year	Variance
Current Ratio (in times)	Total current assets	Total current liabilities	7.15	6.84	4.46%
Debt-Equity Ratio (in times)	Debt consists of borrowings and lease liabilities.	Total equity	0.01	0.01	0.00%
Debt Service Coverage Ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	NA	NA	0.00%

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

Ratio	Numerator	Denominator	Current Year	Previous Year	Variance
Return on Equity Ratio (in %)	Profit for the year less Preference dividend (if any)	Average total equity	<b>15.55%</b>	<b>13.80%</b>	12.66%
Inventory Turnover Ratio (in times)	Revenue from operations	Average inventory	<b>6.35</b>	5.67	11.95%
Trade Receivables Turnover Ratio (in times)	Revenue from operations	Average trade receivables	<b>13.01</b>	14.36	-9.44%
Trade Payables Turnover Ratio (in times)	Cost of material consumed and other expenses	Average trade payables	<b>15.74</b>	15.46	1.83%
Net Capital Turnover Ratio (in times)	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	<b>2.66</b>	2.85	-6.78%
Net Profit Ratio (in %)	Profit for the year	Revenue from operations	<b>7.34%</b>	6.14%	19.50%
Return on Capital Employed (in %)	Profit before tax and finance costs	Capital employed = Net worth + Lease liabilities + Deferred tax liabilities	<b>19.77%</b>	17.89%	10.53%
Return on Investment (in %)*	Income generated from invested funds	Average invested funds in treasury investments	<b>7.37%</b>	5.17%	-42.55%

\* income from investments increased due to interest rates hike.

### 43. Other statutory information

(i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) Relation ship and transactions with struck off Companies:

Name of struck company	Nature of transactions (pertaining to balance outstanding)	Transactions during the year	Balance outstanding as on 31.03.2024	Relationship with the struck off company
Maize Products Limited	Payables	0.86	NA	Non-Related Party

(iii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Group has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

(v) The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(vi) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vii) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (viii) The Group has not any such transactions which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

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

**45.** Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as subsidiary/Associates

(₹ In Lakhs)

Name of the entity	As at 31 <sup>st</sup> March, 2024							
	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
<b>Parent</b>								
Avanti Feeds Limited	83.93%	1,98,525.09	78.22%	30,805.65	95.08%	(114.99)	78.17%	30,690.66
<b>Subsidiaries:</b>								
<b>Indian</b>								
Avanti Frozen Foods Private Limited	19.99%	47,279.06	14.04%	5,530.40	3.93%	(4.75)	14.07%	5,525.64
Srivathsa Power Projects Private Limited *	0.52%	1,231.95	-0.41%	(163.40)	-1.64%	1.98	-0.41%	(161.42)
Avanti Pet Care Private Limited	1.07%	2,530.03	(0.00)	(31.86)	0.00%	-	-0.08%	(31.86)
<b>Total</b>		<b>2,49,566.13</b>		<b>36,140.80</b>		<b>(117.77)</b>		<b>36,023.03</b>

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

Name of the entity	As at 31 <sup>st</sup> March, 2024							
	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
<b>Non Controlling Interests in all subsidiaries</b>								
Avanti Frozen Foods Private Limited		31,519.64		3,686.93		(3.17)		3,683.76
Avanti Pet Care Private Limited		879.90		(20.19)		-		(20.19)
<b>Consolidated</b>		<b>2,81,965.67</b>		<b>39,807.53</b>		<b>(120.94)</b>		<b>39,686.60</b>
<b>Associates (Investment as per the equity method);</b>								
<b>Indian</b>								
Patikari Power Private Limited	0.62%	1,477.46	0.05%	21.41	-0.16%	0.20	0.06%	21.61

### Part A : Subsidiaries:

Salient features of financial statements of subsidiaries as per the Companies Act, 2013.

(₹ In Lakhs)

S. No	Name of the subsidiary/ associates	Reporting currency	Share capital	Reserves & surplus	Total assets	Total liabilities	Investments	Turnover / Total Income	Profit/ (loss) before taxation	Provision for Taxation	Profit/ (loss) after taxation	Proposed dividend	% of share holding
1	Srivathsa Power Projects Private Limited	INR	3,339.71	(2,107.76)	1281.46	49.51	200.00	-	(163.40)	-	(163.40)	-	100%
2	Avanti Frozen Foods Private Limited	INR	1,001.67	77,796.76	87,808.82	9,010.39	17,247.36	1,08,186.65	13,627.51	4,410.18	9,217.33	-	60%
3	Avanti Pet Care Private Limited	INR	3,510.00	(133.55)	3,395.44	3,395.44	-	-	(52.05)	-	-	-	49%



## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024

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

### Part B: Associates

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies  
(₹. In Lakhs)

Name of Associates	Patikari Power Private Limited
1. Latest audited Balance Sheet Date	31-03-2024
2. Shares of associates held by the company on the year end	
Number of shares	1,06,45,200
Amount of investment in Associates	1,064.52
Extent of holding %	25.89%
3. Description of how there is significant influence	Voting Power
4. Reason why the associate/ joint venture is not consolidated	Not applicable
5. Net worth attributable to Shareholding as per latest Audited Balance Sheet	1,477.46
6. Profit/ (Loss) for the year	
i. Considered in Consolidation	21.41
ii. Not Considered in Consolidation	-

As per our Report of even date

**for TUKARAM & CO. LLP**

Chartered Accountants

ICAI Firm Registration No. 004436S / S200135

**(Rajender Reddy Karnati)**

Partner

Membership No. 231834

Place : Hyderabad

Date : 22<sup>nd</sup> May, 2024

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

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

**A. Indra Kumar**  
**DIN: 00190168**  
Chairman & Managing Director

**N. Ram Prasad**  
**DIN: 00145558**  
Director

## Notice

**NOTICE** is hereby given that the Thirty First (31<sup>st</sup>) Annual General Meeting (“**AGM**”) of the members of Avanti Feeds Limited (“**Company**” or “**AFL**”) will be held on **Tuesday, 6<sup>th</sup> August, 2024 at 11:00 A.M (IST) through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”)** to transact the following business:

### ORDINARY BUSINESS:

- 1. To receive, consider and adopt the Audited Financial Statements (Standalone & Consolidated) of the Company for the financial year ended 31<sup>st</sup> March, 2024 together with the reports of the Board of Directors and the Auditors thereon and in this regard, to consider and if thought fit, to pass the following resolutions as an Ordinary Resolution:**

- a) **“RESOLVED THAT** the Audited Standalone Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2024 and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted.”
- b) **“RESOLVED THAT** the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2024 and the report of Auditors thereon, as circulated to the Members, be and are hereby considered and adopted.”

- 2. To declare a dividend on equity shares and, in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:**

**“RESOLVED THAT** a dividend of ₹ 6.75 (Rupees Six and Seventy Paise only) per equity share (on fully paid-up equity share of ₹ 1/- each) of the Company, as recommended by the Board of Directors, be and is hereby declared for the Financial Year ended 31<sup>st</sup> March, 2024 and the same be paid out of the profits of the Company.”

- 3. To appoint a Director in place of Sri N. Ram Prasad (DIN: 00145558), who retires by rotation and being eligible offers himself for re-appointment, in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:**

**“RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Sri N Ram Prasad (DIN: 00145558), who retires by rotation at this meeting, and being eligible, has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

- 4. To appoint a Director in place of Mr. Peerasak Boonmechote (DIN: 10047883), who retires by rotation and being eligible offers himself for re-appointment, in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:**

**“RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Peerasak Boonmechote (DIN: 10047883), who retires

Corporate address : G-2, Concorde Apartments, 6-3-658,  
Somajiguda, Hyderabad – 500082, Telangana State, India.  
☎ : +91-40-23310260/61/ 📠 +91(40)23311604

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

✉ [avantiho@avantifeeds.com](mailto:avantiho@avantifeeds.com)

Registered office: Flat No. 103, Ground Floor, "R"  
Square Pandurangapuram, Vishakhapatnam – 530003  
Andhra Pradesh, India.

CIN: L16001AP1993PLC095778

by rotation at this meeting, and being eligible, has offered himself for re-appointment, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

## SPECIAL BUSINESS

5. To consider and approve the re-appointment of Sri A. Venkata Sanjeev (DIN: 07717691) as a Whole Time Director designated as an Executive Director for a further period from 9<sup>th</sup> August, 2024 to 31<sup>st</sup> March, 2029 and fixing of remuneration:

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to provisions of Sections 196, 197, 198 and 203 read with Schedule V to the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and other applicable provisions, if any, of the Companies Act, 2013 and relevant Rules made thereunder and Regulation 17, 17(1C), 17(6)(e) and other applicable provisions, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and Articles of Association of the Company, subject to necessary approvals of financial institutions / authorities, if any, based on the recommendation of Nomination and Remuneration Committee, Audit Committee and approved by the Board of Directors of the Company, the approval of the members of the Company be and is hereby accorded for the re-appointment of Sri A. Venkata Sanjeev (DIN: 07717691), as a Whole-Time Director, designated as an Executive Director (ED) of the Company for a further period from 9<sup>th</sup> August, 2024 to 31<sup>st</sup> March, 2029 and who shall be retire by rotation and Sri A. Venkata Sanjeev is also a Whole-Time Director of Avanti Pet Care Private Limited, a subsidiary Company of Avanti Feeds Limited.”

**“RESOLVED FURTHER THAT** the remuneration payable to Sri A. Venkata Sanjeev, as an Executive Director with effect from 1<sup>st</sup> April, 2024, as approved by the Nomination and Remuneration Committee notwithstanding that, such remuneration shall exceed 5% (five percent) being the limit specified under Section 197 and Schedule V of the Act in case of inadequacy or absence of profits, calculated in accordance with the applicable provisions of the Companies Act, 2013, shall be as under:

**Payment of Remuneration partly by way of (i) Salary, Allowances and perquisites per month and ex-gratia per annum, and (ii) commission on net profits of the Company as detailed below:**

- I. **Salary:** ₹ 7,65,000 per month in the scale of ₹ 7,65,000 – ₹ 8,80,000 – ₹ 9,95,000 – ₹ 11,10,000 – ₹ 12,25,000.
- II. **Perquisites:** In addition to the salary as above, perquisites as under shall be payable:

### Category A

#### Housing

Unfurnished accommodation or HRA subject to a limit of 60% of the salary per month.

The expenditure incurred by the Company on Gas, Electricity, Water and Furnishing, to be valued as per Income Tax Rules, 1962. This shall however be subject to a ceiling of 10% of salary.

### Category B

- a) Company’s Contribution towards Provident Fund subject to a ceiling of 12% of Salary.
  - b) Contribution to provident funds, and annuity will not be included in the computation of ceiling on perquisites to the extent these either singly or put together are not taxable under Income Tax Act, 1961.
  - c) Gratuity not exceeding half month’s salary for each completed year of service.
- III. **Ex-gratia:** Yearly Ex-gratia subject to a limit of 20% of the annual basic remuneration.

#### IV. Commission

In addition to salary and perquisites as above, Sri A. Venkata Sanjeev, ED, shall be entitled to commission at the rate of 1% of the net profits of the Company in the manner laid down under Section 198 of the Companies Act, 2013 and other applicable provisions of the said Act".

#### V. Minimum Remuneration

**"RESOLVED FURTHER THAT** pursuant to the provisions of Section 197(11) read with Schedule V, and other applicable provisions, if any, of the Act and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), where in any financial year the company incurs losses or its profits are inadequate, the salary, perquisites and allowances per month and ex-gratia per annum as specified above be paid as Minimum Remuneration not exceeding ₹ 1,99,20,600, ₹ 2,29,15,200, ₹ 2,59,09,800, ₹ 2,89,04,400 and ₹ 3,18,99,000 for the period effective from 1<sup>st</sup> April, 2024 to 31<sup>st</sup> March, 2029 subject to the approval of Central Government, if any."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, matters and things as in its absolute discretion, it may consider necessary, expedient or desirable, and to settle any question, or doubt that may arise in relation thereto in order to give effect to the foregoing resolution, or as may be otherwise considered by it, to be in the best interest of the Company."

#### 6. To consider and approve the appointment of Smt. Y. Pameela Rani (DIN: 03270909) as an Independent Woman Director of the Company for a period of Five (5) years:

To consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 and 17(1C) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 ("Listing Regulations"), including any statutory modification(s) or re-enactment(s) thereof for the time being in force, other applicable laws, if any, and the Articles of Association of the Company, and based on the recommendation of the Nomination & Remuneration Committee and the Board of Directors, the members of the Company be and is hereby approved the appointment of Smt. Y. Pameela Rani (DIN: 03270909) as an Independent Woman Director, who has given her consent to act as an Independent Woman Director and has given all the information as required under the Act and Listing Regulations and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of an Independent Woman Director of the Company for a period of 5 Years with effect from 9<sup>th</sup> August, 2024 to 8<sup>th</sup> August, 2029 (both days inclusive) who has attained the age of 70 years and who shall not be liable to retire by rotation."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

#### 7. To consider and approve the appointment of Dr. Sunkara Venkata Satya Shiva Prasad (DIN: 10404277) as an Independent Director of the Company for a period of Five (5) years:

To consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 and 17(1C) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 ("Listing Regulations"), including any statutory modification(s) or re-enactment(s) thereof for the time being in force, other applicable laws, if any, and the Articles of Association of the Company, and based on the recommendation of the Nomination & Remuneration Committee and the Board of Directors, the members of the

Company be and is hereby approved the appointment of Dr. Sunkara Venkata Satya Shiva Prasad (DIN: 10404277), as an Independent Director, who has given his consent to act as an Independent Director and has given all the information as required under the Act and Listing Regulations and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of an Independent Director of the Company for a period of 5 Years with effect from 9<sup>th</sup> August, 2024 to 8<sup>th</sup> August, 2029 and shall not be liable to retire by rotation.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

By Order of the Board  
For **AVANTI FEEDS LIMITED**

**A. Indra Kumar**  
Chairman & Managing Director  
DIN: 00190168

Place: Hyderabad  
Date: 22<sup>nd</sup> May, 2024

## NOTES

1. In accordance with the provisions of the Companies Act, 2013, read with the Rules made thereunder and General Circular No. 09/2023 dated 25<sup>th</sup> September 2023, other Circulars issued by the Ministry of Corporate Affairs ("MCA") from time to time, Master Circular No. SEBI/ HO/CFD/PoD2/CIR/P/2023/120 dated 11<sup>th</sup> July 2023 and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/ CIR/2023/167 dated 7<sup>th</sup> October 2023 issued by SEBI ("the Circulars"), companies are allowed to hold Annual General Meetings ("AGM") through video conference or other audio visual means ("VC") up to 30<sup>th</sup> September 2024, without the physical presence of members at a common venue. Accordingly, the AGM of the Company is being held through VC. The Company has engaged the services of KFin Technology Limited ("KFin") for providing facility, for voting through remote e-Voting, for participation in the AGM through VC and e-Voting during the AGM. The deemed venue for the AGM shall be the Registered Office of the Company at Vishakhapatnam, Andhra Pradesh, India.
2. As the AGM will be conducted through VC, the facility for appointment of proxy by the Members is not available for this AGM, and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
3. The Company has enabled the Members to participate at the 31<sup>st</sup> AGM through VC facility. The instructions for participation by members are given in the subsequent pages. As per the provisions under the MCA circular, Members attending the 31<sup>st</sup> AGM through VC shall be counted for the purpose of quorum under Section 103 of the Act.
4. In compliance with MCA and SEBI Circular, the financial statements including Board's Report, Auditor's report and other documents required to be attached therewith (together referred to as Annual Report FY 2023-24) and Notice of AGM are being sent in electronic mode to those members / beneficial owners whose e-mail addresses are registered with the Company / Depositories. Members may please note that this Notice and Annual Report 2023-24 will also be available on the Company's website at <https://avantifeeds.com/financial-reporting/#Annual-Report>, websites of the Stock Exchanges i.e., BSE Limited and National Stock of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of KFinTech at <https://evoting.kfintech.com>.
5. The Explanatory Statement pursuant to Section 102 of the Act in respect of Special Businesses set out above is annexed hereto and forms part of the Notice. The relevant details, pursuant to Listing Regulations and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI), in respect of Director(s) seeking appointment/re-appointment at this AGM is provided in **Annexure- A** to this Notice.
6. Institutional/Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote(s) through e-Voting. The said Resolution / Authorization shall be sent to the Scrutinizer i.e. Sri V. Bhaskara Rao, Practicing Company Secretary, Hyderabad by e-mail through its registered e-mail address to [bhaskararaoandco@gmail.com](mailto:bhaskararaoandco@gmail.com) with a copy marked to [investors@avantifeeds.com](mailto:investors@avantifeeds.com).
7. Pursuant to the provisions of Section 108 of the Act read with the Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of the Listing Regulations read with Section VI-C of the SEBI Master Circular bearing reference no. SEBI/HO/CFD/PoD2/ CIR/P/2023/120 dated 11<sup>th</sup> July, 2023, as amended ("SEBI Master Circular"), and SS-2 and any amendments thereto, the Company is providing the facility to the members to exercise their right to vote both through remote e-voting and e-voting during the AGM on the resolution(s) as set forth in the AGM Notice by electronic means.
8. The Members can join the AGM through VC mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the instructions mentioned in this Notice. The facility of participation at the AGM through VC will be made available for 1,000 Members on first come first served basis. However, this number does not include the large Shareholders i.e.

Shareholders holding 2% or more shareholding, Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairman of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

9. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.
10. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday 31<sup>st</sup> July, 2024 to Tuesday 6<sup>th</sup> August, 2024 (both days inclusive).
11. The Notice of Annual General Meeting will be sent to the members; whose name appears in the Register of members / depositories as at closing hours of business on 05<sup>th</sup> July, 2024.

#### 12. TDS on Dividend

If the Dividend as recommended by the Board of Directors is approved at the AGM, the payment of such dividend shall be made within the time line as prescribed under the Act, subject to deduction of tax at source, as under:

- i. To all those beneficial owners holding shares in electronic/demat form, as per the beneficial ownership data as may be made available to the Company by National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) as on the close of the business hours on Tuesday 30<sup>th</sup> July, 2024 and
- ii. To all those members holding shares in physical form on or before the close of business hours of Tuesday 30<sup>th</sup> July, 2024.

The details on deduction of TDS is available on the website of the company at the given link: [www.avantifeeds.com/downloads/](http://www.avantifeeds.com/downloads/)

13. Members holding shares in dematerialized form are hereby informed that bank particulars registered with their respective Depository Participants (DPs), with whom they maintain their demat accounts, will be used by the Company for the payment of dividend. Members are requested to intimate any change/correction in their bank mandate to their DPs only.

Members who are holding shares in physical form are advised to submit particulars of their bank account, viz. name and address of the branch of the bank, type of account and account number etc., in form ISR-1 to KFinTech at the provided address.

#### 14. Investor Education and Protection Fund ("IEPF") related information

- a. Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividends that are unpaid or unclaimed for a period of 7 consecutive years from the date of their transfer are required to be transferred by the Company to the IEPF, administered by the Central Government. Further, according to the said IEPF Rules, shares in respect of which dividends remain unclaimed by the shareholders for 7 consecutive years or more shall also be transferred to the demat account of the IEPF Authority. The Company requests all the members to encash / claim their respective dividends within the prescribed period.
- b. The dividend amount and shares transferred to the IEPF can be claimed by the concerned shareholder(s)/legal heir(s) from the IEPF Authority after complying with the procedure prescribed under the IEPF Rules. The details of the unclaimed dividends are also available on the Company's website at <https://www.avantifeeds.com/> and the said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link [www.iepf.gov.in](http://www.iepf.gov.in).
- c. Members intending to claim their unclaimed dividends are requested to correspond with the KFinTech at HYPERLINK "mail to: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)" [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) or write to the Company at HYPERLINK "mail to: [investors@avantifeeds.com](mailto:investors@avantifeeds.com).

## 15. Dispatch of Notice through Electronic Mode:

Members are requested to register / update their e-mail addresses by following the below steps to receive all future communications (including Notice of this AGM) from the Company;

- i. **Members holding equity shares in physical mode** – Request in form ISR-1 along with self-attested copy of PAN Card and self-attested copy of any document (copy of Driving license, Passport, Bank statement, Aadhar) by e-mailing at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) or to the Company at [investors@avantifeeds.com](mailto:investors@avantifeeds.com).

**ISR-1** Form can be downloaded from the following link:

<https://ris.kfintech.com/clientservices/isc/default.aspx>

The ISR-1 Form(s) and the supporting documents can be provided by either of the following modes:

- a. **Through 'In Person Verification' (IPV):** the authorized person of the RTA shall verify the original documents furnished by the investor and retain copy(ies) with IPV stamping with date and initials; or
- b. Through hard copies which are self-attested, which can be shared on the address below; or

**Name** KFin Technologies Limited

**Address** Unit: Avanti Feeds Limited

Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda,  
Serilingampally, Hyderabad-500 032, Rangareddy, Telangana India.

- c. Through electronic mode with e-sign by following the link:

<https://ris.kfintech.com/clientservices/isc/default.aspx#>

Detailed FAQ can be found on the link: <https://ris.kfintech.com/faq.html>

- ii. **Members holding equity shares in dematerialised mode** - Register / update their e-mail addresses with respective DP.
- iii. In case anyone has become a member of the Company after dispatch of AGM Notice, but on or before the cut-off /record date for e-Voting, i.e. Tuesday 30<sup>th</sup> July, 2024, such member may obtain the User ID and Password from KFinTech by an e-mail request to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) / [rajeev.kr@kfintech.com](mailto:rajeev.kr@kfintech.com)

16. Pursuant to Section 72 of the Act. members holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation / variation in nomination in the prescribed Form SH-14 with KFinTech. In respect of shares held in electronic/demat form, the nomination form may be filed with their respective DP's. Forms are available for download at <https://avantifeeds.com/downloads/>

## 17. Updation of PAN, KYC details and Nomination

SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16<sup>th</sup> March 2023 (subsumed as part of the SEBI Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated 7<sup>th</sup> May 2024), in supersession of earlier Circular(s) issued on the subject, has prescribed common and simplified norms for processing investor service requests by RTAs and norms for furnishing PAN, KYC (contact details, bank details and specimen signature), and nomination details.

As per the said Circular, it is mandatory for the shareholders holding securities in physical form to, inter alia, furnish PAN, KYC, and nomination details. Physical folios wherein the said details are not available would be eligible for lodging grievance or any service request only after registering the required details. Any payments including dividend in respect of such folios shall only be made electronically with effect from 1<sup>st</sup> April 2024 upon registering the required details.

If a shareholder holding shares in physical form desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she/they may submit the same in the prescribed form.



Shareholders holding shares in demat form who have not furnished nomination nor have submitted declaration for opting out of nomination, are required to register or opt out from nomination, as the case may be, on or before 30<sup>th</sup> June 2024, failing which their demat account shall be frozen for debits.

The relevant Circular(s) and necessary forms in this regard have been made available on the website of the Company at <https://www.avantifeeds.com> and its RTA at <https://ris.kfintech.com/clientservices/isc/isrforms.aspx>

Accordingly, the members are advised to register their details with the RTA or DPs, in compliance with the aforesaid SEBI guidelines for smooth processing of their service requests and trading without any hindrances hindrance.

#### **18. Dispute Resolution Mechanism at Stock Exchanges**

In terms of SEBI Circular Nos. SEBI/HO/OIAE/OIAE\_IAD-1/P/ CIR/2023/131 dated 31<sup>st</sup> July 2023, as further amended by the Corrigendum cum Amendment circular No. SEBI/HO/ OIAE/ OIAE\_IAD-1/P/CIR/2023/135 dated 4<sup>th</sup> August 2023 and the Master Circular No. SEBI/HO/OIAE/OIAE\_IAD-3/P/CIR/2023/195, the SEBI has established a common Online Dispute Resolution Portal (“ODR Portal”) for resolution of disputes arising in the Indian Securities Market. In terms of the said circulars, the investors, after duly exhausting their option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>).

- 19.** Provisions of Regulation 40(1) of the Listing Regulations, as amended from time to time read with SEBI circular no. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25<sup>th</sup> January, 2022, (subsumed as part of the SEBI Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated 7<sup>th</sup> May 2024) has mandated listed companies to issue securities for the following investor service requests only in dematerialised form: (i) issue of duplicate securities certificate; (ii) claim from unclaimed suspense account; (iii) renewal/exchange of securities certificate; (iv) endorsement; (v) sub-division/splitting of securities certificate; (vi) consolidation of securities certificates/ folios; (vii) transmission; and (viii) transposition.

Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialized so as to be able to freely transfer them, eliminate all risks associated with physical holding and participate in corporate actions.

- 20.** The Companies (Management and Administration) Rules, 2014 stipulate that the remote electronic voting period shall close at 05:00 P.M. (IST) on the date preceding the date of AGM. Accordingly, the remote e-Voting period will commence at 09:00 A.M. (IST) on Saturday, 3<sup>rd</sup> August, 2024, and will end at 05:00 P.M. (IST) on Monday, 5<sup>th</sup> August, 2024. The remote e-Voting will not be allowed beyond the aforesaid period and time, and the remote e-Voting module shall be disabled by KFinTech.
- 21.** The member(s) who have casted their vote(s) by remote e-Voting may also participate in this AGM through VC / OAVM but shall not be entitled to cast their vote(s) again. Once the vote(s) on a resolution is cast by a member, on submission, the member shall not be allowed to modify it subsequently.
- 22.** Subject to approval of the requisite number of vote(s), the Resolutions set out in this Notice for the AGM shall be deemed to be passed on the date of the meeting i.e. Tuesday, 6<sup>th</sup> August, 2024.
- 23.** The Register of Directors’ and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Act, will be available electronically for inspection by the Members during the AGM. Members seeking any information or clarification on the Notice of AGM are requested to send in writing queries to the Company, by Saturday, 3<sup>rd</sup> August, 2024 through e-mail at [investors@avantifeeds.com](mailto:investors@avantifeeds.com). Replies will be provided in respect of such written queries at the meeting.
- 24.** Instructions for remote e-voting and procedure for joining the AGM through VC/OAVM and voting during the AGM:

In terms of SEBI circular dated 9<sup>th</sup> December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through

their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and e-mail Id in their demat accounts in order to access e-Voting facility.

Information and instructions for e-voting by individual members holding shares of the company in demat mode:

As per the SEBI Master Circular, all "individual members holding shares of the Company in demat mode" can cast their vote, by way of a single login credential, through their demat accounts / websites of Depositories / Depository Participants. The procedure to login and access e-voting, as devised by the Depositories / Depository Participant(s), is given below:

Type of shareholders	Login Method
Individual Shareholder(s) holding securities in Demat mode with NSDL	<p><b>1. Existing Internet-based Demat Account Statement ('IDeAS') facility Users:</b></p> <ol style="list-style-type: none"> <li>i. Visit URL <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a personal computer website or on a mobile.</li> <li>ii. On the e-services home page click on the 'Beneficial Owner' icon under 'Login' which is available under 'IDeAS' section. Thereafter, enter the existing user ID and password.</li> <li>iii. After successful authentication, Member(s) will be able to see e-Voting services under 'Value Added Services'. Please click on 'Access to e-Voting' under e-Voting services, after which the e-Voting page will be displayed.</li> <li>iv. Click on Company name i.e. '<b>Avanti Feeds Limited</b>' or ESP i.e. KFinTech.</li> <li>v. Member(s) will be re-directed to KFinTech's website for casting their vote(s) during the remote e-Voting period.</li> </ol> <p><b>2. Those not registered under IDeAS e-Services:</b></p> <ol style="list-style-type: none"> <li>i. Visit <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> for registering.</li> <li>ii. Select 'Register Online Ideas for IDeAS Portal' or click on <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>iii. Visit the e-Voting website of NSDL <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> Once the home page of e-Voting system is launched, click on the icon 'Login' which is available under 'Shareholder / Member' section. A new screen will open.</li> <li>iv. The Member(s) will have to enter their User ID (i.e. the sixteen digit demat account number held with NSDL), password / OTP and a verification code as shown on the screen.</li> <li>v. After successful authentication, Members will be redirected to NSDL Depository site wherein they can see e-Voting page.</li> <li>vi. Click on Company name i.e. 'Avanti Feeds Limited' or i.e. KFinTech after which the Member will be redirected to KFinTech website for casting their vote(s) during the remote e-Voting period.</li> </ol>

Type of shareholders	Login Method
Individual Shareholder(s) holding securities in Demat mode with NSDL	<p><b>3. Alternatively, by directly accessing the e-Voting website of NSDL:</b></p> <ul style="list-style-type: none"> <li>i. Open web browser by typing the following <b>URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a></b> either on a personal computer or on a mobile.</li> <li>ii. Once the home page of e-Voting system is launched, click on the icon</li> <li>iii. "Login" which is available under 'Shareholder/Member' section.</li> <li>iv. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.</li> <li>v. After successful authentication, you will be requested to select the name of the company and the e-Voting Service Provider name, i.e., KFinTech.</li> <li>vi. On successful selection, you will be redirected to KFinTech e-Voting page for casting your vote(s) during the remote e-Voting period.</li> </ul>

Type of shareholders	Login Method
Individual Shareholder(s) holding securities in demat mode with CDSL	<p><b>1. Existing user who have opted for CDSL Easi / Easiest Facility:</b></p> <ul style="list-style-type: none"> <li>i. Visit URL: <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>ii. Click on login icon &amp; New System Myeasi tab</li> <li>iii. Login with your registered user id and password.</li> <li>iv. The members will see the e-Voting Menu. The Menu will have links of ESP i.e. KFinTech e-Voting portal.</li> <li>v. Click on e-Voting service provider name to cast your vote(s).</li> </ul> <p><b>2. User not registered for Easi/Easiest:</b></p> <ul style="list-style-type: none"> <li>i. Option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>ii. Proceed with completing the required fields.</li> <li>iii. After successful registration please follow the steps given in point 1 above.</li> </ul> <p><b>3. Alternatively, by directly accessing the e-Voting website of CDSL:</b></p> <ul style="list-style-type: none"> <li>i. Visit URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>ii. Provide your demat Account Number and PAN No.</li> <li>iii. System will authenticate member by sending OTP on registered Mobile &amp;</li> <li>iv. E-mail as recorded in the demat Account.</li> <li>v. After successful authentication, please enter the e-Voting module of CDSL. Click on the e-Voting link available against the name of the Company i.e. 'Avanti Feeds Limited' or select 'KFinTech'.</li> <li>vi. Members will be re-directed to the e-Voting page of KFinTech to cast their vote(s) without any further authentication.</li> </ul>

Type of shareholders	Login Method
Individual Shareholder (s) login through their demat accounts / Website of Depository Participant	I. Members can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility.
	II. Once logged-in, members will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature.
	III. Click on options available against Avanti Feeds Limited or e-Voting service provider – KFinTech and you will be redirected to e-Voting website of KFinTech for casting your vote(s) during the remote e-Voting period without any further authentication
<p><b>Important note:</b> Members who are unable to retrieve User ID / Password are advised to use Forget User ID and Forget Password option available at above mentioned website. Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.</p>	
Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call attoll free no.: <b>1800 1020 990 and 1800 22 44 30.</b>
Securities heldwith CDSL	Please contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at <b>022-23058738 or 022-23058542-43/ 1800225533</b>

Any person holding equity shares in physical form and non-individual shareholders, who acquires equity shares of the Company and becomes a Member of the Company after sending of the Notice and holding equity shares as on the cut-off/record date, may obtain the login ID and password by sending a request at [evoting@kfintech.com](mailto:evoting@kfintech.com). However, if he / she is already registered with KFinTech for remote e-Voting then he / she can use his / her existing User ID and password for casting the vote(s).

25. Login method for e-voting for shareholders other than individual's shareholders holding securities in demat mode and shareholders holding securities in physical mode:

**(A)** Members whose e-mail addresses are registered with the Company's RTA / Depository Participants (s), will receive an e-mail from KFinTech which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:

Visit the following URL: <https://evoting.kfintech.com>.

Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFinTech for e-Voting, you can use your existing User ID and password for casting the vote(s).

After entering these details appropriately, click on "LOGIN".

You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$,etc.,). The system will prompt you to change your password and update your contact details like mobile number, e-mail ID etc., on first login. You may also enter a

secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

You need to login again with the new credentials.

On successful login, the system will prompt you to select the "EVENT" i.e., 'Avanti Feeds Limited-AGM' and click on "Submit".

- i. On the voting page, enter the number of equity shares (which represents the number of vote(s)) as on the Cut-off/record Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR / AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the equity shares held will not be counted under either head.
- ii. Members holding multiple folios / demat accounts shall choose the voting process separately for each folio / demat accounts.
- iii. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote(s) on any specific item, it will be treated as abstained.
- iv. You may then cast your vote(s) by selecting an appropriate option and click on "Submit".
- v. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote(s). During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- vi. In case of any queries/grievances, you may refer the Frequently Asked Questions (FAQs) for members and e-voting User Manual available at the 'download' section of <https://evoting.kfintech.com> or call KFin on 1800 309 4001 (toll free).

**(B)** Members whose e-mail addresses are not registered with the Company / Depository Participants(s), and consequently the Notice of AGM and e-Voting instructions cannot be serviced, will have to follow the instructions provided in the Note no. 15.

**26. Instructions for all the shareholders, including individual, other than individual and physical, for attending the AGM of the company through vc / oavm and e voting during the meeting**

- i. Members may access the same at <https://emeetings.kfintech.com/> by using the e-Voting login credentials provided in the e-mail received from KFinTech. After logging in, click on the Video Conference tab and select the EVEN of the Company. Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that the members who do not have the UserID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned above.
- ii. Members are encouraged to join the Meeting through Laptops / Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge & Mozilla Firefox 22, etc.
- iii. Members will be required to grant access to the webcam to enable VC / OAVM. Further, the Member(s) connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- iv. Institutional Members are encouraged to attend and vote(s) at the AGM through VC / OAVM.

**27. Other Instructions**

1. Speaker Registration: The Members who wish to speak during the meeting may register themselves as speakers for the AGM to express their views. They can visit <https://emeetings.kfintech.com> and login through the user id and password provided in

the mail received from KFinTech. On successful login, select 'Speaker Registration' which will have opened from Saturday, 3<sup>rd</sup> August, 2024 to Monday, 5<sup>th</sup> August, 2024. Members shall be provided a 'queue number' before the meeting. The Company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM.

2. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on 30<sup>th</sup> July, 2024, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a member as on the cut-off date should treat this Notice for information purposes only. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.
3. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the record date for e-Voting, he/she may obtain the User ID and Password in the manner as mentioned below:
  - a. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399.
    1. Example for NSDL: MYEPWD <SPACE> IN12345612345678
    2. Example for CDSL: MYEPWD <SPACE> 1402345612345678
    3. Example for Physical: MYEPWD <SPACE> xxxx1234567890
  - b. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.kfintech.com/>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
  - c. In case of any query and/or grievance, in respect of voting by electronic means or technical assistance for VC/OAVM participation, Member(s) may refer to the Help & Frequently Asked Questions (FAQs) and e-Voting user manual available at the download section of <https://evoting.kfintech.com> or contact Mr. Rajiv Kumar, an official of KFinTech or dial to toll free No. 1-800-309-4001 or send an e-mail to at [evoting.kfintech.com](https://evoting.kfintech.com) for any further clarifications.

## 28. General Instructions:

1. The Company has appointed M/s. V. Bhaskara Rao & Co, Company Secretaries, Proprietor: Sri V. Bhaskara Rao, Practicing Company Secretary, Hyderabad (FCS No. 5939, CP No. 4182) to act as Scrutinizer to scrutinize the remote e-Voting process and voting during the AGM in a fair and transparent manner. The Scrutinizer will submit their report to the Chairman after the completion of scrutiny, and the result of the voting will be announced by the Chairman or any Director of the Company duly authorized, on or before Thursday, 8<sup>th</sup> August, 2024 and will also be displayed on the website of the Company ([www.avantifeeds.com](http://www.avantifeeds.com)), besides being communicated to the Stock Exchanges, Depositories and Registrar and Share Transfer Agent.
2. All communications relating to equity shares / AGM are to be addressed to the Company's RTA at KFin Technologies Limited, Selenium Tower-B, Plot No. 31 & 32, Financial District, Gachibowli, Nanakramguda, Serilingampally, Hyderabad-500032, Telangana State, India, Toll free Number 1800 309 4001, e-Mail id: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com), website: [www.kfintech.com](http://www.kfintech.com).
3. **APPLICATION(S) BY KFIN**  
Members are requested to note that as an ongoing endeavor to enhance shareholders experience and leverage new technology, Kfin has developed following applications for shareholders:

Investor Support Centre: Members are hereby notified that our RTA , KFin Technologies Limited (Formerly known as KFin Technologies Private Limited), based on the SEBI Circular (SEBI/HO/MIRSD/MIRSD-PoD-1/P/ CIR/2023/72 ) dated Jun 08, 2023, have created an online

application which can be accessed at <https://ris.kfintech.com/default.aspx#>> Investor Services > Investor Support Members are required to register / signup, using the Name, PAN, Mobile and email ID. Post registration, user can login via OTP and execute activities like, raising Service Request, Query, Complaints, check for status, KYC details, Dividend, Interest, Redemptions, eMeeting and eVoting Details. Quick link to access the signup page: <https://kprism.kfintech.com/signup>

**Summary of the features and benefits are as follows:**

1. The provision for the shareholders to register online.
2. OTP based login (PAN and Registered mobile number combination)
3. Raise service requests, general query, and complaints.
4. Track the status of the request.
5. View KYC status for the folios mapped with the specific PAN.
6. Quick links for SCORES, ODR, e-Meetings and eVoting.
7. Branch Locator
8. FAQ's

Senior Citizens investor cell: As part of our RTA's initiative to enhance the investor experience for Senior Citizens, a dedicated cell has been newly formed to assist exclusively the Senior Citizens in redressing their grievances, complaints, and queries. The Senior Citizens wishing to avail this service can send the communication with the below details to the email id, [senior.citizen@kfintech.com](mailto:senior.citizen@kfintech.com).

Senior Citizens (above 60 years of age) have to provide the following details:

1. ID proof showing Date of Birth
2. Folio Number
3. Company Name
4. Nature of Grievance

The cell closely monitors the complaints coming from Senior Citizens through this channel and assists them at every stage of processing till closure of the grievance.

Online PV: In today's ever-changing dynamic digital landscape, security, foolproof systems and efficiency in identity verification are paramount. We understand the need to protect the interests of you (shareholders) and also comply with KYC standards. Ensuring security and KYC compliance is paramount of importance in today's remote world. Digital identity verification, using biometrics and digital ID document checks, helps combat fraud, even when individuals aren't physically present. To counteract common spoofing attempts, we engage in capturing liveness detection and facial comparison technology. We are excited to announce that our RTA has introduced an Online Personal Verification (OPV) process, based on liveness detection and document verification.

**Key Benefits:**

- a. A fully digital process, only requiring internet access and a device.
- b. Effectively reduces fraud for remote and unknown applicants.
- c. Supports KYC requirements.

Here's how it works: (i) Users receive a link via email and SMS. (ii) Users record a video, take a selfie, and capture an image with their PAN card. (iii) Facial comparison ensures the user's identity matches their verified ID (PAN).

**WhatsApp:** Shareholders can use WhatsApp Number: (91) 910 009 4099 to avail bouquet of services.

## Explanatory Statement:

In conformity with Section 102 of the Act, the following Explanatory Statement sets out all material facts relating to the special business mentioned in the accompanying Notice and should be taken as forming part of the Notice. As per Listing Regulations an explanatory statement in relation to Item No. 5 to 7 is also furnished and shall be taken as forming part of the Notice.

## Item No. 5

The Board of Directors of the Company, at its meeting held on 22<sup>nd</sup> May, 2024, on the recommendation of Nomination and remuneration Committee (NRC) and subject to the approval of members of the Company, approved re-appointment of Sri A. Venkata Sanjeev as a Whole-time Director designated as an Executive Director of the Company for a further period from 9<sup>th</sup> August, 2024 to 31<sup>st</sup> March, 2029 on the terms and conditions including his remuneration as set out in the resolution .

Sri A. Venkata Sanjeev has consented to be re-appointed as Whole Time Director designated as Executive Director and shall be liable to retire by rotation. His appointment is as per the applicable provisions of the Companies Act, 2013 (the Act) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) as amended from time to time.

Sri A. Venkata Sanjeev, graduated in Engineering (Mechanical) and worked as Manager-Operations in the company for about five years and thereafter appointed as an Executive Director(ED) in the year 2019. During his term as Manager and as an ED he has proven his performance by his innovative thinking and hard work. Under his leadership the Company made a significant growth in terms of business as well as profits with his consistent performance over a decade. The Board considered his performance is an asset for the ambitious future growth plans of the Company. The NRC and the Board are of the view and considered that it would be in the interest of the Company to continue the employment of Sri A. Venkata Sanjeev as ED of the Company.

## Duties and Responsibilities:

The duties and responsibilities of Sri A. Venkata Sanjeev shall include:

- a) To assist the Board in making policy decision and keeping in view overall objectives of the Company in the best interest of investors and other stakeholders.
- b) Planning and implementation of strategies for sustainable growth of the Company.
- c) Established the Shrimp Hatchery and maintain its performance
- d) Shall be responsible to ensure the conduct of the business in accordance to the applicable legislation and policies of the Company.
- e) Shall adhere to the Company's Code of Conduct.
- f) Shall perform such duties as shall from time to time be entrusted to him by the Chairman and Managing Director/ Board, subject to superintendence, guidance and control of the Chairman and Managing Director / Board.

## I. General Information:

1. Nature of Industry: Manufacture of Shrimp Feed
2. Date of commencement of commercial production of Shrimp Feed:

Sl. No.	Details	Location	Date of Commercial Production
1	Plant – I	Kovvur, East Godavari District, Andhra Pradesh	01.11.1994
2	Plant – II	Vemuluru, East Godavari District, Andhra Pradesh	08.06.2001
3	Plant – III	Kovvur, East Godavari District, Andhra Pradesh	15.03.2014
4	Plant – IV	Bandapuram, East Godavari District, Andhra Pradesh	04.08.2016
5	Plant – V	Balda Village, Valsad District, Gujarat	12.08.2011
6	Hatchery	Gudiwada Village, S. Rayavaram Mandal, Visakhapatnam District, Andhra Pradesh	12.11.2020



3. In case of new companies expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not applicable.

4. Financial performance: (₹ in Lakhs)

Financial Parameters	2023-24	2022-23	2021-22
Turnover	4,29,028.48	4,04,135.51	4,04,754.95
Net Profit as computed under Section 198 of Companies Act, 2013	41,083.48	32,252.81	24,450.27
Net profit as per Statement of Profit and Loss	30,690.66	23,257.40	19,796.79
Amount of dividend paid	9,196.58	8,515.35	8,515.35

Dividend details:

Rate of dividend declared per equity share	₹ 6.75 (Proposed)	₹ 6.25	₹ 6.25
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5. Foreign Investments or collaborations, if any:

The shareholding details of FIIs, FPIs, NRIs as on 31<sup>st</sup> March, 2024 are as under:

Sl. No.	Category	Number of equity shares of ₹ 1/- each	Percentage of paid-up capital
1	Foreign Portfolio Investors, Foreign Portfolio – Corp, Foreign Institutional Investors		
	a) Thai Union Group	3,29,85,456	24.21%
	b) Others	72,69,942	5.34%
	Sub-Total	4,02,55,398	29.55
2	Non-resident Indians and Foreign Nationals	14,69,515	1.08
	<b>Grand Total</b>	<b>4,17,24,913</b>	<b>30.62%</b>

The Company has technical, financial and marketing collaboration from Thai Union Group PLC who is also a shareholder in the Company.

## II. Information about the appointee:

1. **Background details:** Sri A. Venkata Sanjeev has graduated in Engineering (Mechanical). He worked, as a Manager-Operations, in the Company for about 5 years. Later on he was appointed as an Executive Director w.e.f 09<sup>th</sup> August, 2019. He has been managing the feeds unit successfully for the past 10 years.

His major achievements during his tenure are-

- Setting up new Shrimp Feed manufacturing facility at Bandapuram and subsequent further expansion in a record time.
- Modernisation of Shrimp Feed Plant at Kovvur
- Ensuring production of Shrimp Feed with consistent quality maintenance in all the Feed Plants and
- Established the Shrimp Hatchery and maintain its performance

2. **Past Remuneration:**

The remuneration drawn by Sri A. Venkata Sanjeev during last Three (3) as ED are as under:

SL. No	Financial Year	Remuneration paid (₹ in Lakhs)
1	2023-24	576.14
2	2022-23	462.19
3	2021-22	78.54

**3. Recognition or Awards: NIL**

**4. Job Profile and suitability:**

1. Planning Production, raw material procurement, quality control and dispatches at all Feed Plants and implementation of the same.
2. Assist the Board in strategic planning for expansion and establishing new units.
3. Ensure achievement of corporate objectives under the guidance of the Board.
4. Responsible for efficient management of the operations.
5. Established the Shrimp Hatchery and maintain its performance

In view of his innovative thinking, hard work and strong commitment to achieve higher performance levels, his knowledge and experience is value addition to the operations of the Company.

**5. Remuneration Proposed: As set out in the Resolution at Item No. 5.**

**6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:**

Taking into consideration the size of the Company, the profile of Sri A. Venkatata Sanjeev the responsibilities shouldered by him, the aforesaid remuneration package is commensurate with the remuneration package paid to managerial position in other Companies.

**7. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any:**

Sri A. Venkata Sanjeev does not have any pecuniary relationship directly or indirectly with the Company except for the position he is holding and he is a son of Dr. A Indra Kumar, Chairman and Managing Director of the Company, does not have any relationship with any managerial personnel in the Company.

### **III. Other information:**

**1. Reasons of loss or inadequate profits:**

The Shrimp culture industry is mainly dependent on processing and export of Shrimp which will have a significant influence on the success and profitability of the Shrimp culture activity. The Shrimp culture success depends on many factors such as climatic conditions, availability of good quality seed, free from attack of any disease, good culture practices etc. Moreover, the international export price of the shrimp also influences shrimp culture to a great extent. India has seen in earlier years drastic fall in shrimp culture activity due to wide spread deceases, steep fall in international prices of shrimp etc., due to which the profitability of feed declined significantly leading to loss or inadequacy of profits. In the event of loss suffered by the Company for the remuneration beyond the control of ED, the Board considered that a minimum remuneration shall be fixed and paid to the Directors in the event of loss or in adequacy of profit.

**2. Steps taken or proposed to be taken for improvement:**

In order to mitigate the hardships caused by the reasons mentioned above, the Company initiates the following steps:

- a) Adoption of technical advancement in Shrimp culture ensure avoidance/ prevention of un foreseen events, making the shrimp culture activity difficult.
- b) Educate the farmers to follow good culture practices to prevent any spread of diseases.
- c) Extend technical support to the farmers during culture period rendering timely advice to enable the farmer to reap good harvest.
- d) Assist the farmer in selection of good quality seed.

- e) To take such initiatives to maintain sustainability of the Shrimp culture for a longer time.
- f) To explore the alternative activity related to aquaculture such as production and marketing of fish feed by way of diversification.

### 3. Expected increase in productivity and profits in measurable terms:

With sustained growth of sea food consumption globally year after year, the demand for shrimp is estimated to grow by 3%-5%. India being one of the major source of Shrimp culture and supply of processed shrimp, the growth Year-on-Year is estimated at 5%-7% with an estimated sustainable margin of about 8%-10%.

As per Regulation 17 (1C) of the Listing Regulations, appointment or re-appointment of a person on the Board of Directors, shall be subject to approval of shareholders at next general meeting or within a time period of three months from the date of appointment, whichever is earlier. Further as per Reg. 17(6)(e) remuneration payable in excess of prescribed limits under SEBI (LODR) Regulations, 2015 to Executive Directors who are Promoters or members of Promoter Group shall be, subject to approval of shareholders by Special Resolution. Accordingly, approval of the members is sought for passing a Special Resolution for re- appointment Sri A. Venkata Sanjeev as ED as set out in Resolution at Item No. 5.

Sri A. Venkata Sanjeev satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under Section 196(3) of the Act for being eligible for his re-appointment as an Executive Director. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

Details of Sri A. Venkata Sanjeev are provided in the Annexure-A to this Notice pursuant to provisions of (i) the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standards on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India. This statement may also be regarded as an appropriate disclosure under the Act and the Listing Regulations.

Sri A. Venkata Sanjeev is interested in the Resolution set out at Item No. 5 of the Notice. The relatives of Sri A. Venkata Sanjeev may be deemed to be interested in the Resolution, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution at Item No. 5.

The Board recommends the Special Resolution set out at Item No. 5 of the Notice for approval of the members.

### Item No. 6 & 7

Sri NVDS Raju and Smt. K. Kiranamyee, independent directors of the Company are completing their 2<sup>nd</sup> term as an Independent Director of the Company on 8<sup>th</sup> August, 2024. In view of their completion of tenure, the Board at its meeting held on 22<sup>nd</sup> May, 2024, recommended the appointment of Smt. Y. Prameela Rani and Dr. Sunkara Venkata Satya Shiva Prasad (Dr. SVSS Prasad) Non-Executive & Independent Director on the Board for a period of five (5) years w.e.f 9<sup>th</sup> August, 2024 to 8<sup>th</sup> August, 2029 upon recommendation received from the Nomination & Remuneration Committee(NRC) vide meeting dated 21<sup>st</sup> May, 2024.

The Company have in terms of Section 160(1) of the Companies Act, 2013 ('the Act') received a notice from a Member proposing their candidature for the office of Directors.

The Company has received a declaration from Smt. Y. Prameela Rani and Dr. SVSS Prasad that they meet the criteria of independence as prescribed, both, under Section 149(6) of the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and that both are not debarred from holding the office of directors by

virtue of any order passed by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority. Further, they have also confirmed that they are not disqualified from being appointed as Directors in terms of Section 164 of the Act and has given their consent to act as Directors in terms of Section 152 of the Act. In the opinion of the Board of Directors, both of them fulfill the conditions for appointment as an Independent Directors as specified in the Act and the Listing Regulations. Both are independent of the management and possesses appropriate skills, experience, knowledge and capabilities, required for the role of Independent Director.

Smt. Y. Prameela Rani and Dr. SVSS Prasad have also confirmed that they are in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualifications of Directors) Rules, 2014, with respect to his registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs ('IICA').

### **Profile of Smt. Y Prameela Rani:**

Smt. Y. Prameela Rani MBA, CA IIB retired as General Manager Andhra Bank Worked for 36 years in various capacities as Branch Manager of Large Branches, Zonal Manager & General Manager Corporate Office.

She has the unique experience of overseeing the governance of diversified industrial companies as a member of their Boards, both while in service in the bank as Nominee Director and subsequently thereafter. She has been in Avanti Frozen Foods Private Limited as an Independent Director for 6 plus years. She is also on the Board of reputed Companies i.e. KIMS Hospital, Vimta labs, etc. Her service will be an immense value for the Company.

### **Profile of Dr. SVSS Prasad:**

Dr. SVSS Prasad served in Indian Revenue Service from 1988 to 2021. He is a Doctorate in Agricultural sciences from Indian Agricultural Research Institute, New Delhi. He was selected for IRS in the year 1988.

He worked in various capacities in Income Tax department as Assistant commissioner, Additional commissioner, Commissioner, PR Commissioner and Retired as Chief Commissioner of Income tax on 30<sup>th</sup> September 2021. Throughout his career, he dealt with Taxation issues, accounting issues, corporate finance issues, Industrial management and Industrial finance issues while working in Hyderabad, Bengaluru, Kolkata, Coimbatore etc.

He has a rich exposure regarding Taxation issues, Accountancy issues, administration of Companies Act and industrial finance management while working in different cities in different capacities. He also attended mid carrier training while working as commissioner of Income tax in IIM Bengaluru. He also attended to training of capital market functioning, money laundering, public policy finance organised by various Govt. Agencies. While working as Principal commissioner of Income tax in Bengaluru, he had exposure in regarding transfer pricing and equalisation levy issues with regard to Multinational companies. While working in the Investigation wing in Bengaluru got appreciation letter from member investigation of CBDT. While working as CIT (appeals) he got special appreciation letter from chairman CBDT for excellent work done in appeals. He also has exposure to business restructuring of companies in accordance with Income tax act and other statutes. His service will be an immense value for the Company.

Smt. Y. Prameela Rani and Dr. SVSS Prasad shall be paid remuneration by way of fee for attending meetings of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board, reimbursement of expenses for participating in the Board and other Committee meetings or Commission if payable shall be paid to the them.

Copy of draft letters of appointment of Smt. Y. Prameela Rani and Dr. SVSS Prasad setting out the terms and conditions of appointment is available for inspection by the members at the Corporate Office of the Company.

In terms of Reg. 17(1A) of SEBI (LODR) Regulations (Amendment) 2018, appointment of a Non- Executive Director beyond the age of 75 years, requires consent of the members by way of Special Resolution. Smt. Y. Prameela Rani, shall attain age of 75 years at the end of the proposed first term. In view of the vast experience of Smt. Y. Prameela Rani the Board recommends passing Special Resolution for her appointment as Non-Executive Independent Woman Director pursuant to aforesaid SEBI Regulation.

In compliance with the provisions of Section 149 read with Schedule IV to the Act, Regulation 17 read with Regulation 25 (2A) of the Listing Regulations and other applicable provisions of the Act and Listing Regulations, the appointment of Smt. Y. Prameela Rani and Dr. SVSS Prasad as an Independent Directors is now placed for the approval of the Members by a Special Resolution.

Details of Smt. Y. Prameela Rani and Dr. SVSS Prasad are provided in the Annexure-A to this Notice pursuant to provisions of (i) the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standards on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India. This statement may also be regarded as an appropriate disclosure under the Act and the Listing Regulations.

None of the Directors and Key Managerial Personnel (‘KMP’) of the Company or their respective relatives, except Smt. Y. Prameela Rani and Dr. SVSS Prasad and their relatives, are concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 & 7 of the accompanying Notice.

The Board recommends the Special Resolutions as set out in Item No. 6 & 7 of the Notice for approval of the Members.

## Annexure-A

Details of the Directors and seeking re-appointment / appointment at this AGM pursuant to (i) Regulation 36(3) of the Listing Regulations and (ii) SS-2, issued by ICSI are as under:

### Re-appointment of Directors, liable to retire by rotation:

Name of the Director(s)	Sri N. Ram Prasad	Mr. Peerasak Boonmechote
Director Identification No.	00145558	10047883
Age (Years)	68	54
Qualification	MS (Chemical Engineering) from USA.	Master Degree of Business Administration, National University, USA.
Experience (including expertise in specific functional areas) / Brief Resume	He is a Post Graduate in MS (Chemical Engineering) from United States of America with vast industrial and management experience.	He is being associated with Thai Union Group PCL for over 20 years in marketing, procurement and high-level management in frozen and related business. He was appointed as the Managing Director since 2016 until 2022. From 1 <sup>st</sup> January, 2023, he is appointed as the Chief Executive Officer of Thai Union Feed Mill PCL.
Terms and Conditions of Re-appointment	Non-Executive, Non Independent Director, liable to retire by rotation.	
Remuneration proposed to be paid (including sitting fees if any) and remuneration last drawn	Sitting fees as disclosed in report on Corporate Governance.	
Date of first appointment on the Board	07 <sup>th</sup> April, 1993	20 <sup>th</sup> February, 2023
Shareholding in the Company including shareholding as a beneficial owner as on date of Notice	2,29,701 Equity shares (on behalf of HUF)	-
Relationship with other Directors / Key Managerial Personnel	Spouse of Dr. A. Indra Kumar's sister.	-
Number of meetings of the Board attended during the financial year	8	8
Directorships in other listed entities	-	Thai Union Feedmill PCL.
Directorships in listed entities from which the director has resigned in the past three years	-	-
Membership / Chairmanship of the Committees of the Board of other entities	-	Member of Executive Committee of Thai Union Feedmill PCL.

## Re-appointment of Executive Director:

Name of the Director	Sri A. Venkata Sanjeev
Director Identification Number (DIN)	07717691
Age (Years)	32
Qualification	Graduated in Mechanical Engineering.
Experience (including expertise in specific functional areas) / Brief Resume	<p>He joined as an Executive Director in 2019 prior to this he worked, as Manager- Operations, in the Company for about 5 years. His profile includes:</p> <p>Planning Production, raw material procurement, quality control and dispatches at all Feed Plants and implementation of the same.</p> <p>Assist the Board in strategic planning for expansion and establishing new units.</p> <p>Ensure achievement of corporate objectives under the guidance of the Board.</p> <p>Responsible for efficient management of the operations.</p>
Terms and Conditions of Re-appointment	Executive Director, liable to retire by rotation.
Remuneration proposed to be paid (including sitting fees if any) and remuneration last drawn	Remuneration as disclosed in report on Corporate Governance forming part of the Annual Report
Date of first appointment on the Board	7 <sup>th</sup> June, 2019
Shareholding in the Company including shareholding as a beneficial owner as on date of Notice	7,10,000 Equity shares (0.52%).
Relationship with other Directors / Key Managerial Personnel	Son of Dr. A. Indra Kumar
Number of meetings of the Board attended during the financial year	8
Directorships in other listed entities	-
Directorships in listed entities from which the director has resigned in the past three years	-
Membership / Chairmanship of the Committees of the Board of other entities	-

## Appointment of Independent Directors:

Name of the Director(s)	Smt. Y. Prameela Rani	Dr. SVSS Prasad
Director Identification No.	03270909	10404277
Age (Years)	71	63
Qualification	BSc, MBA & CA IIB	1. Doctorate in Agriculture Meteorology. 2. Indian Revenue Service from 1988 to 2021, retired as Chief Commissioner of Income Tax
Experience/ Expertise Skills & capabilities	<p>She retired as General Manager Andhra Bank Worked for 36 years in various capacities as Branch Manager of Large Branches, Zonal Manager &amp; General Manager Corporate Office.</p> <p>She has the unique experience of overseeing the governance of diversified industrial companies as a member of their Boards, both while in service in the bank as Nominee Director.</p>	<p>He joined the Indian Revenue Service in 1988, worked in various capacities in Income Tax department as Asst. Commissioner, Deputy Commissioner, Additional Commissioner, Commissioner, Principal Commissioner and retired as Chief Commissioner of Income Tax.</p> <p>He has a rich exposure regarding Taxation issues, Accountancy issues, administration of Companies Act and industrial finance management. Have undergone management training at IIM Bangalore in collaboration with Maryland University, USA. Also had training in SEBI related matters, money laundering and financials of Public Sector units.</p>
Terms and Conditions of appointment	As disclosed in Item No. 6 & 7 of the Notice and Explanatory Statements.	
Remuneration proposed to be paid (including sitting fees if any) and remuneration last drawn	As disclosed in Item No. 6 & 7 of the Notice and Explanatory Statements.	
Date of first appointment on the Board	For a period of 5 years w.e.f. 9 <sup>th</sup> August, 2024 to 8 <sup>th</sup> August, 2029.	
Relationship with other Directors / Key Managerial Personnel	Not related to any Director/ Key Managerial Personnel	
Shareholding in the Company including shareholding as a beneficial owner as on date of Notice	-	



Name of the Director(s)	Smt. Y. Prameela Rani	Dr. SVSS Prasad
Number of meetings of the Board attended during the financial year	-	-
Directorships in other listed entities	1. Vimta Labs Limited 2. Krishna Institute of Medical Sciences Limited.	-
Directorships in listed entities from which the director has resigned in the past three years	-	-
Membership / Chairmanship of the Committees of the Board of other entities	<b>Vimta Labs Limited</b> 1. Member of Audit Committee, 2. Chairperson of Stakeholders Relationship Committee 3. Member of Nomination & Remuneration Committee  <b>Krishna Institute of Medical Sciences Limited</b> 1. Chairperson of Stakeholders Relationship committee 2. Member of Audit Committee 3. Member of Nomination & Remuneration committee 4. Chairperson of Risk Management Committee	-

By Order of the Board  
For **AVANTI FEEDS LIMITED**

**A. Indra Kumar**  
Chairman & Managing Director  
DIN: 00190168

Place : Hyderabad  
Date : 22<sup>nd</sup> May, 2024







**Avanti**<sup>®</sup>  
Feeds Limited

Aiding Sustainability & Reliability to Aquaculture

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