Avanti Feeds Limited

Aiding Sustainability & Reliability to Aquaculture

Ref: AFL/BSE & NSE/2020-21/

4th August, 2020

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

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

BSE Code: 512573

NSE Code: AVANTIFEED

Dear Sirs,

Sub: Avanti Feeds Limited – Notice of the 27th Annual General Meeting to be held on 29.08.2020 – Reg.

We are to inform you that the Twenty- Seventh (27th) Annual General Meeting ("AGM") of the members of the Company will be held on Saturday, August 29, 2020 at 11:00 A.M. IST through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"), in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.

Pursuant to Regulation 34 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, we enclose herewith the Annual Report for the year 2019-20 (including Notice of the AGM to be held on 29.08.2020 and Business Responsibility Report).

We are to inform that 27th Annual Report (including Notice of the AGM) has been sent, through email to the members on 4th August, 2020.

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

The Annual Report including Notice is also uploaded on the Company's website and can be accessed at https://www.avantifeeds.com.

Please take the same on your record and acknowledge.

Thanking you,

Yours faithfully,
for Avanti Feeds Limited

RAMACHANDRA RAO CUDDAPAH
Digitally signed by RAMACHANDRA RAO CUDDAPAH
Date: 2020.08.04 16:12:11 +05'30'

C. Ramachandra Rao
Joint Managing Director,
Company Secretary & CFO
Encl: As Above

Corporate Office: G-2, Concorde Apartments, 6-3-658, Somajiguda, Hyderabad-500082. Telangana State, India.
+91 (40) 23310260 /61 +91 (40) 23311604
www.avantifeeds.com
avantiho@avantifeeds.com

Registered Office: Flat No.103, Ground Floor, R Square, Pandurangapuram, Visakhapatnam - 530003, Andhra Pradesh, India.
CIN: L16001AP1993PLC095778

Avanti Feeds Limited

GROWING STRONGER BY THE YEAR

AVANTI FEEDS LIMITED

27th
ANNUAL REPORT
2019-20

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Our Inspiration

Late Sri Alluri Venkateshwara Rao
Founder Chairman

7th July 1933 - 25th June 2002

Vision, Truth, Hardwork and Prosperity of all stakeholders were his four guiding principles

We at Avanti Feeds, continue to carry on his legacy on the principles.

Chairman's Message

Dear Shareholders,

It is heartening to see that the performance of your Company has improved significantly in 2019-20 as compared to 2018-19. The Aqua Culture industry suffered a setback in 2018 and made a quick positive recovery in 2019-20.

As you are all aware, your Company is a well-acknowledged pioneer in the Indian Shrimp industry, with a proven track record of 27 years. We have technical expertise in developing need based feed in accordance with shrimp culture conditions prevailing in different regions of our country's vast landscape. Regularly our well-trained technical teams visit our farmer friends, brief them on the most suitable shrimp culture methods and update them on latest developments in aquaculture industry.

The shrimp production in India has registered a growth of about 10% - 12% at 8,00,000 Tons in 2019 as compared to 6,85,000 tons in 2018. Shrimp feed consumption has registered a growth of about 10% at 11,50,000 tons in 2019 compared to 10,20,000 Tons in 2018. In view of COVID-19 impact, the Global demand and production is expected to come down by about 10% to 15% in FY21 compared to FY20.

As the industry was breathing a sigh of relief in 2019-20 after a serious setback in 2018-19, the Covid-19 broke out as a pandemic posing a big challenge to the humanity. The Corona Virus which unfolded in a big way during second half of 2019 in China spread like a wild fire almost the entire world with India being no exception. The Covid-19 broke out in India during February 2020 leading to imposition of country vide lockdown from 24th March, 2020 bringing all the activities to a standstill.

As an initial reaction to the pandemic, the shrimp culture stocking slowed down during April and May 2020, apprehending a fall in export prices and export market. As you know the Q1 i.e. Apr-May-Jun 2020 are the months during which stocking takes place intensively and the production levels are forecasted depending on the stockings and extent of culture area which missed in Q1 of FY21. There was also

> "We effectively countered every business challenge that came our way, and emerged stronger and profitable.

a shortage of Shrimp seed from hatcheries as the normal operations of hatcheries were affected by lockdown. However, things improved gradually with the farmers gaining confidence due to more or less stable farm gate prices and resumed stocking and the shrimp culture is in progress now.

There are deep-rooted, nagging concerns about threats such as volatility of International Shrimp Prices, Farm Gate Shrimp Prices, fluctuating Foreign Exchange Rates, US Anti-Dumping / Countervailing Duty etc., these concerns can be to a certain extent be offset by developing domestic and alternative markets to supplement US Exports, strict adherence to traceability, scientific pond management and by adopting judicious pricing and forex management.

We can also take heart from recent Government's Policy of "Economic Revolution through Blue Revolution" giving shape to the scheme "Pradhan Mantri Matsya Sampada Yojana" (PMMSY) for fisheries in May 2020 with an investment of over ₹ 20,000 Crores in next 5 years. This scheme aims at increasing fish and shrimp production in India at an annual growth rate of 9% from 137.58 Lakh MT in 2018-19 to 220 Lakh MT by 2024-25. Hopefully, if this scheme is implemented in right earnest, it will go a long way in the growth of Seafood Industry.

Your company's Power business segment also did well during the year. Our 3.2 MW windmill project in Chitradurg (Karnataka) generated a fair output of 48.09 lakh units. Patikari Power – the 16 MW hydel power project in which your company has 25.88% equity – generated a fair output and gave us a decent Net profit. Srivathsa Power Projects – the 17.2 MW gas-based power project in which your company holds 49.99% equity could only put up a modest output, owing to limited supply of APM-gas from GAIL. Next year should hopefully see a better supply of gas from GAIL.

Overall, your Company had a good performance from operations during 2019-20, details of which are given in this Annual Report.

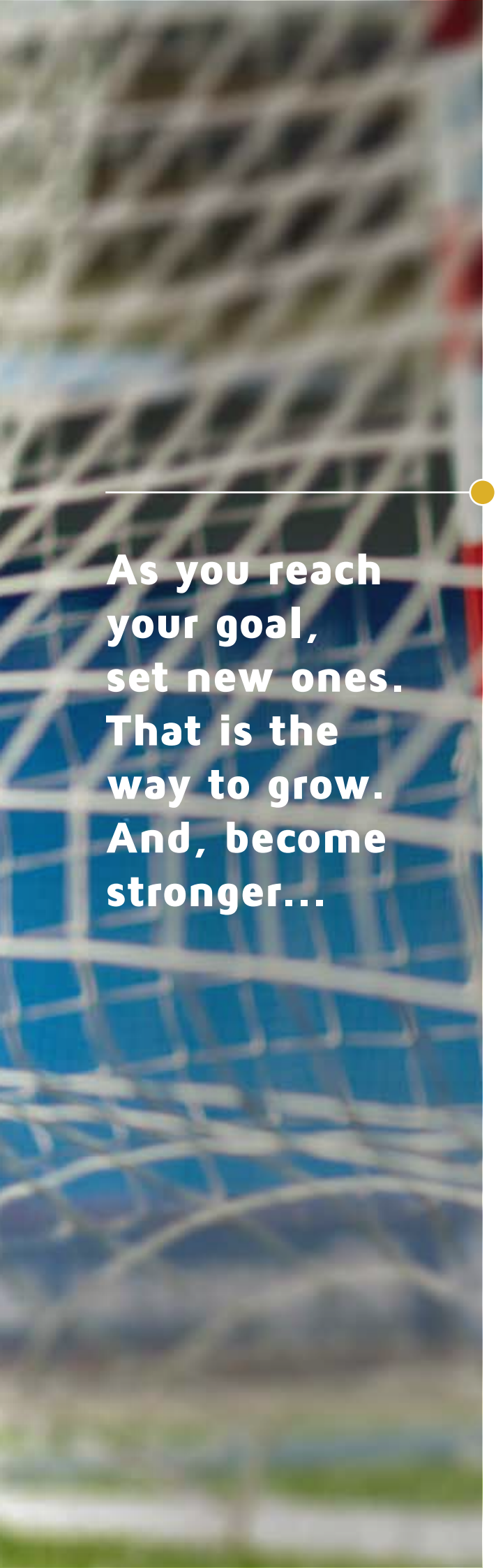
Looking back at Fiscal 2019-20, I can say with satisfaction that we effectively countered every business challenge that came our way, and emerged stronger and profitable. Our success without a doubt is owed largely to the unstinted patronage by the farmers and committed employees across the board.

It is equally important that we acknowledge the resolute faith and support of our extended family of customers, dealers, suppliers, financial institutions and strategic partners who travel with us in our journey. I would like to extend my deepest appreciation to them and hope to see this bond grow even stronger over the coming years. Moreover, I would like to express my sincere gratitude to my fellow Directors for their commitment and professionalism in paving Avanti's long-term path

Despite all the turbulences that were encountered during the year, your company boldly weathered them all, with its usual resilience and professional approach.

Alluri Indra Kumar
Chairman and Managing Director

Setting goals is the first step in turning the invisible into the visible *-Tony Robbins*



As you reach your goal, set new ones. That is the way to grow. And, become stronger...

At Avanti Feeds we look at a goal not as a destination but as a milestone in our long journey ahead.

It is this attitude that brought us thus far and helps us set our sights on higher achievements. We have the courage to bet on our ideas, to take the calculated risk and, more importantly, to act and implement our strategies for growth.

Over the years, Avanti has been driving business at an accelerated pace, which has resulted in consistent and profitable growth.

Identifying and meeting the customer needs enabled us to increase our footprint and drive higher volume growth. With higher volume growth, we were able to derive the benefits of scale and efficiencies. Growth and value creation followed as a natural corollary.

Our continuous efforts to innovate, scale up and stay ahead of the curve helped us sustain this momentum and deliver on growth year after year. And, become stronger...

Quality is not an act, it is a habit – *Aristotle*

There are many reasons why we stand above the rest...

We have...

- 27 years of rich experience in the shrimp culture industry
- Ideal feed formulations that give the best Feed Conversion Ratio (FCR) to our farmer-customers
- State-of-the-art shrimp processing plants that process advanced, value-added and cooked products to cater to the global markets
- A long-term technical and financial collaboration with Thai Union Group (Thailand), a multinational conglomerate in the global sea food industry
- The capacities to quickly upscale our production to meet increasing market demands
- Invested in a shrimp hatchery that is expected to fetch decent yields soon
- A strong sales force and wide dealer network, covering all shrimp culture areas
- Robust technical team that advises and supports farmers on culture and disease management
- An inventory management system that effectively guards against overstocking of finished products and raw materials
- Strong employee-supportive policies that have resulted in almost zero staff turnover, highly motivated team with experience, continuous learning and upgrades of technical and commercial know-how
- A strict policy of making timely payment to our raw-material suppliers and investing in long-term relationships with them
- A prudent financial management with internal accruals for funding expansions and not resorting to high-cost borrowing
- A policy of making regular dividend pay-outs, coupled with sound corporate governance
- Social development programs that reach out to communities through various programs on health, education, environment and infrastructure

Our Numbers Endorse our Performance

Shrimp Feed Sales

4,84,669 MT

(4,21,691 MT in FY 2018-19)

Processed Shrimp Sales

13,397 MT

(11,065 MT in FY 2018-19)

Profit Before Depreciation, Interest, Tax (PBDIT)

₹ 52,455.48 Lakhs

(₹46,651.92 Lakhs in FY 2018-19)

Profit After Tax (PAT)

₹ 38,628.59 Lakhs

(₹30,661.99 Lakhs in FY 2018-19)

Market Capitalization of over

₹ 4,000 Crores

Listed and traded on

- Bombay Stock Exchange (BSE) Limited
- National Stock Exchange (NSE) of India Limited

Performance Highlights

Key Ratios	2015-16	2016-17	2017-18	2018-19	2019-20
ROCE (%)	63	47	63	34	33
ROE (%)	21	31	41	23	24
Net Debt to Equity	0	0	0	0	0
Inventory Days	61	57	67	60	52
Receivable days	3	4	4	5	6

Our Business Verticals

We have five shrimp feed operating units...

- At Kovvur, Vemuluru and Bandapuram (Andhra Pradesh) and at Pardi (Gujarat)

All of them are ISO 9000:2015 certified, with a total capacity of 6,00,000 TPA. The feed is sold in India and Bangladesh, and contribute about 78% of our Total Revenue.

...and our subsidiary

Avanti Frozen Foods Private Limited

...has two shrimp processing-cum-export units...

- Unit at Gopalapuram (Andhra Pradesh)
- Unit at Yerravaram (Andhra Pradesh)

Both the units have strong credentials:

- ISO 22000:2005 (Food Safety Management Systems)
- Hazard Analysis and Critical Control Points (HACCP)
- US Food and Drug Administration (USFDA)
- EU and British Retail Consortium (BRC) Global Standards
- Aquaculture Certification Council (ACC) for Best Aquaculture Practices (BAP)

The two units have a total capacity of 22,000 TPA. They make raw shrimps, cooked shrimps, skewers and marinated products, which are sold to Europe, USA, Japan, Korea, China, Australia and the Middle East. This business segment constitutes about 22% of our Total Revenue.

Our Path to the Pinnacle

1994

Shrimp Feed Manufacturing Unit-I (20,000 TPA capacity) at Kovvur marks our first stride

1999

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

2002

Shrimp Feed Unit-II (22,000 TPA capacity) goes on stream at Vemuluru

Individually Quick-Frozen (IQF) Shrimp Processing Unit comes up at Gopalapuram

2003

We sign a Technical Collaboration Agreement with Thai Union Feed Mill (P) Ltd, to upgrade and develop feed for L. Vannamei species

2004

Capacities of Unit-I and Unit-II (Kovvur) are enhanced to 60,000 TPA each

2006

Four windmills (3.2 MW capacity) are commissioned in Chitradurga (Karnataka)

2009

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

2019

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

2018

Doubled the feed manufacturing capacity at Unit-IV Bandapuram with a capacity of 1,75,000 MT per annum

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

2017

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

2016

Our shrimp processing and exports business was divested to AFFPL (subsidiary) to secure global recognition

2014

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

2012

To meet the rising demand in Western India, our third shrimp feed plant (60,000 TPA capacity) comes up at Pardi

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

Our Aqua Farmers Vouch for Us...

Aqua farmers associated with Avanti Feeds have always been appreciative of its intensive farming system, which is promoted with great diligence by the company's Technical Teams.

With their good practical knowledge of shrimp farming and disease management, these Technical Teams have greatly improved the farmers' overall production and profits.

Avanti's shrimp feed is widely acknowledged for its superior quality and Feed Conversion Ratio (FCR), which enhances the shrimps' health and helps them grow well.

We have had the strong backing of our farmers' loyalty. They have been with us all the way. As we go along, this bond will only grow stronger over the coming years.

I have been using Avanti Feeds from the Past 10 years in our farms at Varidhanam Village, Palakol. I am highly satisfied with the feed quality and FCR. The quality and timely service of technical team helps us a lot. Their lab facility for farmers is also very good which helps us a lot for success in culture.

Buddaraju Bapi Raju

I am Avanti Feeds customer for 10 years and I am very happy to be using their feed at my farms at Digamarru village, Palakol market, West Godavari Dist, AP. Quality of the company feed and support of technical team is very good. I am recommending my neighboring farmers to use Avanti.

Bezawada Babji

I am a happy customer of Avanti. Earlier I used to use different brands, but with Avanti's FCR no other feed can match. Since 12 years I have farms at Kopparru village, Narasapuram market, West Godavari Dist. I switched to Avanti 4 years back and I never changed to any other feed.

Raviri Suresh

Avanti Feeds is the best feed, their technical service is unparallel to any other brand. Whenever I have any problem in my farm, Avanti technician is at my doorstep. I am very happy to use Avanti Feeds in my farms.

P Jagadeeswar Reddy

I am a strong supporter of Avanti Feeds for past 20 years. I like this feed because of its good quality. Whenever I face any slight issue the company immediately attends to it and provides a solution.

Bhaskara Rao

My farm is the biggest farm in West Bengal and Avanti Feeds has taken it as a demo farm and placed their staff for technical guidance. I have never failed in the last three years because of Avanti Feeds service and the good quality of their feed.

Director, Herocckona Sea Foods

I use Avanti Feeds and recommend it to others also. I always use new technology and other farmers come here to see it. I explain them and also tell them to use Avanti Feeds because of their quality and technical support.

Maa Nachinda

Risk Management is a culture, not a cult, It only works if everyone lives it, not if it is practiced by a few priests – *Tom Wilson*

Tempering Growth with Effective Risk Management

Unfettered business growth is attended with inherent risks. Managing such risks has therefore been integral to our business model. This approach has ensured the sustainability of our profitable growth, by proactively identifying/ addressing / mitigating existing and emerging risks.

Growth Risk

Consistent growth increases the demand for our shrimp feed and processed products. Our recently commenced hatchery unit should help us sustain our healthy growth in the long term.

Regulatory Risk

As compliance with regulatory norms is necessary while sustaining business operations, we have always taken care to be in strict alignment with global regulatory policies and guidelines. A prime example of our diligence is our compliance with the US Customs SIMP Guidelines, which stipulate stringent quality standards for exports to that country.

Geographic Concentration Risk

Over-dependence on any one market is fraught with business uncertainties and may

unexpectedly derail its growth prospects. Avanti commands nearly 50% of the Indian shrimp feed market, and increasing it further would be progressively more challenging. While addressing this domestic agenda, Avanti has also begun exports to neighbouring countries to increase volumes. The company's exports of value-added shrimp products have also gone up substantially, spurred largely by their global quality standards, prompt delivery and competitive pricing.

Cost Risk

Any increases in input costs could adversely impact business profitability. Avanti minimises this impact and continues to drive volumes by offering superior feed and improved FCR, and by retaining its farmers' trust. These strategic measures have helped the company absorb rising input costs more effectively.

Disaster Risk

Disaster mitigation measures are those that eliminate or reduce the impacts and risks of hazards through proactive measures taken before an emergency or disaster occurs. Avanti's team believes that disaster management does not avert or eliminate the threats, instead it focuses on creating plans to decrease the impact of disasters.

For example, during recent COVID times when the Company has to operate during lockdown instead of panicking the Company has taken steps to reduce vulnerability to hazards and cope with the situation.

Be kind whenever possible. It's always possible – *Dalai Lama*

Avanti is a **Responsible Corporate Citizen**

Our outlook at Avanti has never remained confined to just our shrimps business. We have always been conscious of our corporate responsibility of serving the larger community around us. Ever seeking avenues where we could make a positive difference in terms of people's health and welfare, we have undertaken several social and economic outreach initiatives over the years.

Our attention has been devoted primarily to education, healthcare, sports, vocational, skill development, livelihood, infrastructure development and environmental conservation, which facilitates in bettering lives and improving livelihood, amongst others.

Environmental Sustainability

With a keen eye on protecting Mother Nature, we undertook the environmental initiative of "Sujalam Safalam Jal Abhiyan - 2019" at Sitapura - Asma Village for pond excavation.

Promoting Education

Strongly driven by our conviction that educated individuals are the building blocks of our nation, we have taken up rural development and education-oriented initiatives by contributing to the following trusts:

- Avanti Foundation
- AVR Trust
- Sri Venkateswara Vidyalaya Trust
- Jasti Venkataiah Memorial Rural Development Trust
- Alluri Bapineedu Charitable Trust
- CRR College
- Contributed to Merit Scholarships to students of ABN and PRR College of Science, Kovvur

Encouraging the Sporting Spirit

As a healthy body nurtures a healthy mind, we undertook several sports activities for rural youth in the vicinity of our operating facilities:

- Contributed to Kovvur Badminton Association towards constructing a new gym for sports persons at Kovvur Municipal Stadium.
- Sponsored Summer Volley Ball Coaching Camp for May-19.
- Contributed to Sunrisers Youth Swachanda Seva Samastha for Organising Sunrises Youth Cricket Tournament.
- Sponsorship Tandel Group Kosamba Apar Charitable Trust for Avanti Cricket Cup tournament held in Kosamba.
- Sponsorship to Mr V Yesu Das State Level Shuttle Badminton Player for one year training by Pro Shuttle Badminton Academy, Tadepalli to play for the National Championship.
- Contributed to Kovvur Badminton Association towards Shuttle Badminton Summer Coaching May-2019.
- Distributed 120 T-Shirts at Cricket Tournament in Balda.

Eradicating Hunger, Poverty & Malnutrition and Providing Healthcare

- Contributed to Sri Venkateswara Pranadana Trust program.
- Contributed to Hrudaya Cure (A Little Heart Foundation) which provides free medical treatment to the children with heart problems from economically poor families.
- Contributed to Indian Red Cross Society, Eluru to conduct medical camps to the poor and needy.
- Installed 1,000 LPH Water Purifier System at ABN & PRR College, Kovvur.
- Provided spares for enhancement of Water Purifier capacity from 1,000 LPH to 2,000 LPH to Literary Club, Kovvur.

Traditional Arts & Handicrafts

- Contributing to Crafts Council of Telangana for promoting Art and Culture.

Caring of Aged and Disabled

- Contribution to corpus fund of Sowbhagya Durga Old Age Home to take care of inmates who are old and deserted.

Providing Succour to Cyclone Victims

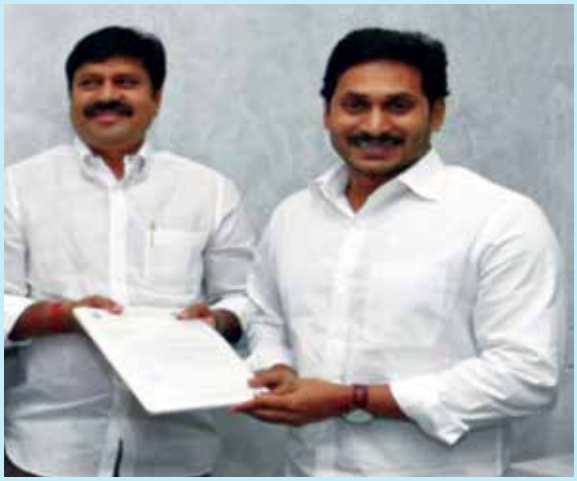
- Donation for relief of people whose lives were devastated by Cyclone 'Phani' in Odisha.
- Construction of sheds for farmers whose infrastructure washed out in 'Ghaja' Cyclone in Tamilnadu.

Lending a helping hand to the Covid-hit

As the world faces an unprecedented challenge with communities everywhere affected by the COVID-19 pandemic, we are expressing our solidarity and support by extending our helping hand to those affected.

We have contributed significant amounts to:

- PM Cares Fund
- AP CM Relief Fund
- AP Police Covid-19 Welfare Association
- Kovvur Municipality Covid-19 Welfare Association.



Our MD, Mr A Indra Kumar, presenting contribution to AP Chief Minister Shri Y Jagan Mohan Reddy, for CM Relief Fund

Our MD , Mr A Indra Kumar, presenting a cheque to Mr DG Sawang, DIG, AP, for Police Covid-19 Welfare Association

- Distributed food grains to more than 1,000 migrant workers, daily-wage earners, slum-dwellers and frontline warriors (police & sanitation workers)
- Provided 36,000 meals (breakfast, lunch, snacks and dinner) at Covid-19 quarantine centre at district headquarters of Eluru for 200 people per day for 2 months
- Around 50,000 masks distributed to farmers in rural areas
- Arranged disinfection tunnels in Kovvur

Statutory Reports
2019-20

Corporate Information

Board of Directors

A Indra Kumar
Chairman & Managing Director

C Ramachandra Rao
Joint Managing Director, Company Secretary & CFO

N Ram Prasad

Bunluesak Sorajjakit

Wai Yat Paco Lee

AV Achar

K Ramamohana Rao

BV Kumar

MSP Rao

NVDS Raju

Mrs. K Kiranmayee

JV Ramudu

Rajat Bhargava, *IAS*
Nominee-APIDC

A Venkata Sanjeev

Auditors

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

Bankers

State Bank of India
Rabo Bank International

Registrars & Share Transfer Agents

KFin Technologies
Private Limited

Karvy Selenium Towers B,
Plot No. 31-32, Gachibowli,
Financial District, Nanakramguda,
Hyderabad – 500032.

Registered Office

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

Corporate Office

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

Website:www.avantifeeds.com

CIN:L16001AP1993PLC095778

BOARD'S REPORT

Dear Members,

Your Directors have pleasure in presenting their 27th Annual Report together with the Audited Financial Statements of your Company and its subsidiary for the year ended 31st March, 2020.

1. Financial Summary or Highlights

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

(₹ in Lakhs)

Particulars	Financial Year ended			
	Standalone		Consolidated	
	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019
Total Revenue	3,16,257.16	2,73,842.34	4,11,529.15	3,48,777.95
Profit / (Loss) Before Interest, Depreciation & Tax (PBITDA)	39,857.28	35,720.09	52,455.48	46,651.92
Finance Charges	121.23	124.58	198.79	262.67
Depreciation	2,098.56	2,028.31	3,770.67	3,583.87
Provision for Income Tax (including for earlier years)	9,039.82	11,217.72	9,857.44	12,143.39
Net Profit / (Loss) After Tax	28,597.67	22,349.48	38,628.59	30,661.99
Profit / (Loss) brought forward from previous year	89,800.23	79,360.55	1,04,107.24	88,658.54
Profit / (Loss) carried to Balance Sheet	1,01,028.45	89,800.23	1,21,440.48	1,04,107.24

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

The Profit for the year under consideration i.e., FY 2019-20, before depreciation, finance charges and tax is ₹ 39,857.28 Lakhs as compared to a Profit of ₹ 35,720.09 Lakhs in the previous financial year. The Profit for the year after tax is ₹ 28,597.67 Lakhs as against a Profit of ₹ 22,349.48 Lakhs during the previous financial year.

Your Company reported sale of 4,84,669 MT shrimp feed during 2019-20 as compared to 4,21,691 MT shrimp feed sales in the immediate preceding financial year 2018-19, an increase of 15% volume.

The Four Windmills of your Company located in Karnataka State with a total capacity of 3.2 MW have generated 48.09 Lakh units as against 40.06 Lakh units in the previous year. The power generated during the year was sold to Karnataka Power Transmission Corporation Limited under the Power Purchase Agreement.

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. The impact of COVID-19 on the business and going concern assumptions of the Company and its subsidiary Avanti Frozen Foods Pvt. Ltd.

On 30th January, 2020, the World Health Organization (WHO) declared the Coronavirus (COVID-19) out break a "Public Health Emergency of International Concern" and on 11th March, 2020 declared it to be a pandemic. The Government of India imposed a countrywide lockdown from 24th March, 2020. The Shrimp Feed manufacturing and Shrimp Processing and Exports have been declared as "Essential Services" and exempted from restrictions of lockdown. However, due to low manpower turnout coupled with difficulties in transportation of raw

materials and finished goods, the production and sales/exports reduced during April and May '20. The situation is gradually improving with increase in employee turnout and streamlining transportation and other related services.

The Company is strictly implementing the measures stipulated by the Government for safety of the workers in the production facilities and other establishments of the Company.

The impact of COVID-19 is not significant on the financial performance of the Company in the quarter ended 31st March, 2020 and the Company opines that assessment of impact of COVID-19 on future is premature since the virus is still aggressive in India, not subsided elsewhere in the world and there is already effect of recession on global economy.

4. Survey and Search by Income Tax Department

In November, 2019 the Income Tax Department, Hyderabad conducted Search / Survey, on the premises of the Company and its subsidiary (i.e., Avanti Frozen Foods Private Limited). Since then the Department has been calling for information / records from time to time which the Company has been submitting. On the basis of preliminary information from the accounts and on the advice of the tax consultants a provision for Income Tax amounting to ₹ 358 Lakhs has been made on estimation basis in the accounts. Actual amount will be determined only on completion of the assessments.

5. Share Capital

During the year under review, there is no change in share capital of the Company. As on 31st March, 2020 the authorized capital of the Company is ₹ 15,85,00,000 divided into 15,85,00,000 equity shares of ₹ 1/-each and paid-up capital is ₹ 13,62,45,630 divided into 13,62,45,630 equity shares of ₹ 1/- each.

6. Dividend

Interim Dividend

Your Directors at the meeting held on 24th February, 2020 have declared an Interim Dividend of ₹ 5 (Rupees Five only) per equity share of ₹ 1/- each fully paid, for FY 2019-20. The Interim dividend, was paid by 12th March, 2020 to the eligible members as on the Record Date i.e., 6th March, 2020. Interim Dividend resulted in a cash outflow of approximately ₹ 8,212.57 Lakhs, which includes corporate dividend distribution tax of ₹ 1,400.28 Lakhs.

Final Dividend

Your Directors recommend a final dividend of ₹ 0.10 Ps. (Ten Paise only) per equity share of ₹ 1/- each fully paid for the FY 2019-20. The final dividend if declared by the members at the 27th Annual General Meeting to be held on 29th August, 2020, will be paid, subject to deduction of tax at source as applicable, on or before 25th September, 2020.

Pursuant to Reg.43A of SEBI (LODR) Regulations, the Company has formulated a Policy on Dividend Distribution which is disseminated on the Company's website at www.avantifeeds.com.

7. Reserves

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

8. Credit Rating

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

Sl. No.	Details	Rating Affirmed
1	Avanti Feeds Ltd – Long Term Issuer Rating	IND AA(-)Stable
2	Fund Based Working Capital Limits (₹ 75 Crs.)	IND AA(-)Stable
3	Non-Fund Based Working Capital Limits (₹ 67 Crs.)	IND A1+

9. Composition of the Board and Details of Board Meetings

Sl. No.	Name	Designation
1	Sri A. Indra Kumar	Chairman & Managing Director
2	Sri C. Ramachandra Rao	Joint Managing Director, Company Secretary & Chief Financial Officer
3	Sri N. Ram Prasad	Director
4	Mr. Bunluesak Sorajjakit	Director
5	Mr. Wai Yat Paco Lee	Director
6	Sri A.V. Achar	Independent Director
7	Sri B.V. Kumar	Independent Director
8	Sri M.S.P. Rao	Independent Director
9	Sri K. Ramamohana Rao	Independent Director
10	Sri N.V.D.S. Raju	Independent Director
11	Smt. K. Kiranmayee	Independent Woman Director
12	Sri J.V. Ramudu	Independent Director
13	Sri A. Venkata Sanjeev (Director from 07.06.2019 and Executive Director from 09.08.2019)	Executive Director
14	Sri Solmon Arokia Raj IAS, (Upto 27.09.2019)	Nominee Director (Nominee of Andhra Pradesh Industrial Corporation Limited – represented as equity investor)
15	Dr. Rajat Bhargava, IAS (from 19.10.2019)	Nominee Director (Nominee of Andhra Pradesh Industrial Corporation Limited – represented as equity investor)

9.1 Number of Board Meetings

During the year under review, 6(Six) Board meetings were held. The details are as under:

Sl. No.	Date of Board Meeting	No of Directors Attended
1	25.05.2019	12
2	07.06.2019	10
3	20.07.2019	11
4	19.10.2019	12
5	04.02.2020	12
6	24.02.2020	12

10. Committees of the Board

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

11. Meeting of Independent Directors

The details of the Separate meeting of the Independent Directors are reported in the Report on Corporate Governance which forms part of the Board's Report.

12. Familiarization Programme for Independent Directors

The details of the familiarization programme for the Independent Directors is reported in the Report on Corporate Governance which forms the part of the Board's Report.

13. Independent Directors

13.01 Declaration by Independent Directors

Sri A.V. Achar, Sri B.V. Kumar, Sri M.S.P. Rao, Sri K. Ramamohana Rao, Sri N.V.D.S. Raju, Smt. K. Kiranmayee and Sri J.V. Ramudu, are Independent Directors on the Board of your Company. In the opinion of the Board and as confirmed by these Directors, they fulfil the conditions specified in Sec. 149(6) of the Act and the Rules made thereunder and under Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 about their status as Independent Directors of the Company.

13.02 Registration of Independent Directors with the Databank in the portal of Indian Institute of Corporate Affairs

Pursuant to notification dated 22nd October, 2019 of Ministry of Corporate Affairs, all the Independent Directors have registered themselves as Independent Directors in the portal of Indian Institute of Corporate Affairs.

14. Changes in Directors and Key Managerial Personnel

During the year under review, Andhra Pradesh Industrial Development Corporation Limited has withdrawn the nomination of Sri Solomon Arokia Raj, IAS w.e.f 27th September, 2019 and appointed Dr. Rajat Bhargava, IAS w.e.f 19th October, 2019 as Nominee Director.

During the year under review Sri A. Venkata Sanjeev, was appointed as an Additional Director on 7th June, 2019. He was appointed as an Executive Director for a period of 5 years at the 26th Annual General Meeting held on 9th August, 2019.

In terms of Article 105 and 106 of the Articles of Association of the Company Mr. Bunluesak Sorajjakit and Sri N. Ram Prasad, Directors retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. Nomination & Remuneration Committee and the Board recommended their re-appointment for approval of the members at the ensuing AGM.

15. Policy on Directors Appointment and Remuneration

15.01 The details of Policy on Directors appointment and Remuneration (i.e., Nomination and Remuneration Policy), criteria for determining qualifications, positive attributes, independence of directors are included in Report on Corporate Governance forming part of the Board's Report.

15.02 The details of the remuneration paid to Sri A. Indra Kumar, Chairman and Managing Director and Sri C. Ramachandra Rao, Joint Managing Director, Company Secretary & CFO and Sri A Venkata Sanjeev, Executive Director are as under:

(₹ in Lakhs)

Details	Sri A. Indra Kumar, CMD	Sri C. Ramachandra Rao, JMD, CS & CFO	Sri A. Venkata Sanjeev, ED
Salary	315.79	165.12	36.80
Ex-gratia	36.72	19.20	3.87
Superannuation	27.57	14.42	2.30
Perks	4.36	-	-
Commission on Profits	1,556.88	1,167.66	-
Total	1,941.32	1,366.40	42.97

Further, information about the elements of remuneration package of above whole-time directors is provided in the extract of the Annual Return in Form MGT-9 enclosed to this Report.

16. Transfer of Unpaid / Unclaimed Dividend to IEPF

Pursuant to the provisions of Sec. 124(5) of the Companies Act, 2013, as amended, read with Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, dividend which remain unpaid or unclaimed for a period of 7 consecutive years will be transferred to the Investor Education and Protection Fund of the Central Government.

Shareholders who have not encashed their dividend warrant(s) within 7 years from the date of the declaration of dividend, are requested to make their claim immediately to the Registrars & Transfer Agents i.e., KFin Technologies Private Limited (Formerly Karvy Fintech Private Limited), Hyderabad or to the Company at its Corporate Office. The unclaimed dividend for the financial year 2012-13 will be transferred to IEPF within the time limit prescribed under the provisions of the Act.

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

Sl. No.	Year	Date of Declaration	Dividend per Share (₹)	Face Value of Equity Share (₹)	Due Date for Transfer	Amount of Unpaid Dividend as on 31.3.2020 (in ₹)
1	2012-13	27.07.2013	6.50	10.00	30.08.2020	10,37,068.50
2	2013-14	02.08.2014	15.00	10.00	05.09.2021	16,40,895.00
3	2014-15	08.08.2015	27.50	10.00	11.09.2022	22,75,412.00
4	2015-16	13.08.2016	7.00	2.00	17.09.2023	27,64,909.00
5	2016-17	12.08.2017	9.00	2.00	15.09.2024	34,15,761.00
6	2017-18	07.08.2018	6.00	1.00	10.09.2025	53,35,032.00
7	2018-19	09.08.2019	4.00	1.00	12.09.2026	25,29,612.00

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

17. Transfer of Shares to IEPF

As per Sec.124(6) of the Companies Act 2013 all shares in respect of which dividend has not been paid or claimed for seven (7) consecutive years or more shall be transferred by the Company to Investor Education and Protection Fund of the Central Government. During the year under review, 25,500 equity shares of ₹ 1/- each were transferred to IEPF which pertains to unclaimed dividend for FY 2011-12.

18. Extract of Annual Return

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of Annual Return (Form MGT-9) is enclosed at Annexure-1.

19. Loans, Guarantees or Investments

The details of the Loans, Guarantees and Investments as on 31st March, 2020 are as under:

a) Guarantees : ₹ 15,000.00 Lakhs

b) Investments : ₹ 11,622.46 Lakhs

₹ 26,662.46 Lakhs

20. Contracts or arrangements with Related Parties

The particulars of contracts or arrangements with related parties referred to in Sec.188(1) in Form No. AOC-2 pursuant to Sec.134(3)(h) of the Companies Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 are enclosed at Annexure-2.

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

21. Board Evaluation

Pursuant to the provisions of the Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out evaluation of (i) its own performance, (ii) the directors individually and (iii) working of its Committees. The manner in which the evaluation was carried out is reported in the Report on Corporate Governance which forms part of this Report.

22. Corporate Social Responsibility Committee

22.1 Composition

Sl. No.	Name	Designation	Chairman / Members
1	Sri A. Indra Kumar	Chairman & Managing Director	Chairman
2	Sri N. Ram Prasad	Director	Member
3	Sri A.V. Achar	Independent Director	Member
4	Sri B.V. Kumar	Independent Director	Member
5	Smt. K. Kiranmayee	Independent Director	Member
6	Sri C. Ramachandra Rao	Joint Managing Director, Company Secretary & CFO	Member & Compliance Officer

22.2 Terms of Reference

The Committee is primarily responsible for formulating and recommending to the Board of Directors a Corporate Social Responsibility (CSR) Policy and monitoring the same from time to time, amount of expenditure to be incurred on the activities pertaining to CSR and monitoring CSR activities.

22.3 CSR Policy

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

During the year under review one meeting of the Corporate Social Responsibility Committee was held on 24th February, 2020.

22.4 Avanti Foundation:

During the year under review, the Company along with Avanti Frozen Foods Private Limited and Srinivasa Cystine Private Limited, as Settlers, established "Avanti Foundation" a Charitable trust to implement the CSR activities of these Companies. The main objective of the Trust is to carry out CSR activities from contributions received from the settlers. Avanti Foundation is registered as a Trust under the provisions of the Income Tax ACT. Sri A. Indra Kumar, Chairman & Managing Director of Avanti Feeds is the Managing Trustee.

One of the objectives of the TRUST is to promote Skill Development. The Trust in collaboration with Andhra University is establishing an "Aquaculture Skill Development Centres" in the Andhra University Campus to function with joint cooperation from Industry and the University faculty. The University has provided space in the campus for construction of class rooms, labs etc. for the Skill Development Centre. The Construction work is in progress. An MOU has been entered into with Andhra University (AU), Visakhapatnam to this effect and the Skill Development is named as "AU-AVANTI AQUACULTURE SKILL DEVELOPMENT CENTRE". Until the building is completed, Aquaculture Skill Development programmes are being held in the facilities provided by the University.

22.5 CSR Expenditure during the Year 2019-20

As per the Sec.135(5) of Companies Act 2013, 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 towards Corporate Social Responsibility activities. For the Financial Year 2019-20, the amount to be spent towards CSR activities works out to ₹ 809.50 Lakhs. The Company has spent ₹ 1,070.06 Lakhs towards the CSR activities in the financial year 2019-20. Out of total CSR Expenditure ₹ 1,070.06 Lakhs, ₹ 809.70 Lakhs pertains to FY 2019-20 and ₹ 260.36 Lakhs pertains to unspent amount of CSR expenditure for FY 2018-19. The detailed Report, on the CSR Activities is annexed to Board's Report at Annexure-3.

23. Management Discussion & Analysis

Management Discussion and Analysis Report is annexed which forms part of this Report.

24. Business Responsibility Report

The Business Responsibility Report is annexed which forms part of this Report.

25. Corporate Governance

Report on the Corporate Governance together with a Certificate on compliance of Corporate Governance by Independent Auditors forms part of this Report.

26. Risk Management Policy

In terms of the requirement of Sec. 134(3)(n) of the Companies Act 2013, the Company has developed and implemented the Risk Management Policy.

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

26.1 Risk Management Committee

Details of composition, number of meetings held during the year under review and other related details are set out in the Report on Corporate Governance which forms a part of this Report.

27. Whistle Blower Policy

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

28. Maintenance of Cost Records

The Company has maintained the Cost records required to be maintained under Sec.148(1) of the Companies Act, 2013.

29. Subsidiaries and Associate Companies

Report on the Performance of Subsidiaries and Associates

The report on the business of the Subsidiaries and Associate companies as on 31st March, 2020 is as follows:

29.1 Subsidiaries

(a) Avanti Frozen Foods Private Limited (AFFPL)

During the year under review, Avanti Frozen Foods Private Limited (AFFPL) reported a turnover of ₹ 95,490.43 Lakhs and Profit before tax is ₹ 10,767.41 Lakhs. The Profit after tax reported by AFFPL is ₹ 9,949.79 Lakhs.

The Annual Report along with Secretarial Audit Report of the AFFPL was placed on the website of the Company at www.avantifeeds.com.

The Secretarial Audit Report of AFFPL as required under Regulation 24A of SEBI (LODR) Regulations, 2015 is provided as a separate annexure forming part of this report. Further, the annual report is being sent to the members excluding the aforesaid annexure. The same is available for inspection and any member interested in obtaining a copy of the same may write to the company.

(b) SVIMSAN Exports & Imports Private Limited (SVIMSAN)

SVIMSAN Exports & Imports Pvt Ltd., ('SVIMSAN') is a wholly owned subsidiary of the Company established in 1998 to carry on the activity of Exports & Imports. After carrying on business for about 11 years i.e., till 2009, the Company discontinued business activity, as the activity found to be not viable and remained non-operative for the past 11 years. The Company has written off the investment of ₹ 100 Lakhs in the equity along with un-secured loan of ₹ 92.14 Lakhs during the year as there is no possibility of recovery of the investment and the un-secured loan. The SVIMSAN approached Registrar of Companies (ROC) for removal of its name from Registrar of Companies under Sec. 248(2) of the Companies Act. All the necessary statutory procedures have been complied with and the removal of name by the ROC from the register of companies is awaited. Since the process of removal of name by ROC is under process, accounts of SVIMSAN is not considered for consolidation.

(c) Avanti Frozen Foods INC. – Step Down Subsidiary

During the year under review, Avanti Frozen Foods Inc. (USA), Step down subsidiary of the Company and a wholly owned subsidiary of Avanti Frozen Foods Private Limited was incorporated on 22.04.2019 in the State of Delaware in USA. The subsidiary Company i.e., Avanti Frozen Foods Pvt Ltd., has invested in 10,000 equity share of USD0.01 face

value each at a premium of USD 0.99 per share.

29.2 The consolidated financial statements of the Company and its subsidiary prepared in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Sec.133 of the Companies Act, 2013 read with relevant Rules, form part of this Annual Report and are reflected in the Consolidated Financial Statements of the Company.

29.3 The Annual financial statements of the subsidiary including step down subsidiary and related detailed information will be kept at the Registered Office and Corporate Office of the Company and also at the Registered Offices of the respective subsidiaries.

29.4 The Company has adopted a Policy for determining Material subsidiaries in terms of Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015. The Policy approved by the Board is available on the website of the Company at www.avantifeeds.com.

29.5 Joint Ventures

During the year under review there were no Joint Ventures.

29.6 Associate Companies

1. Srivathsa Power Projects Private Limited

Srivathsa Power Projects Private Limited, is a 17.02 MW gas based independent power project situated in Andhra Pradesh in which company holds 49.99% of equity shares.

During the year 2019-20, the gas supplied by GAIL was only 24,024 SCMD as against the nominated quota of 65,000 SCMD stated to be due to non-availability of APM-Gas. As a result, the power generation was limited to 97.04 Lakhs units as against generation capacity of 1,100.00 Lakhs units. During the year 2019-20 Plant operated for 101 days, the Company reported a turnover of ₹ 393.59 Lakhs and a loss of ₹ 199.07 Lakhs after charging interest and depreciation, as per audited financials.

2. Patikari Power Private Limited

The Company holds 25.88% equity shares in Patikari Power Private Limited which has a 16 MW Hydel Power Project in Himachal Pradesh. During the year 2019-20 as per audited financials the Company generated 530.12 Lakhs saleable energy units, yielding a gross sales income of ₹ 1,191.87 Lakhs which resulted in a net Profit of ₹ 544.28 Lakhs after charging interest, depreciation and tax.

29.7 Names of companies which have become or ceased to be joint ventures or Associate companies

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

29.8 Statement containing salient features of financial statements of subsidiaries and associates

Pursuant to Sec.129(3) of the Act, the statement containing the salient features of the financial statements of Company's subsidiary and associate companies is enclosed at Annexure-4 of Board's Report.

30. Listing at Stock Exchanges

The equity shares of your Company continue to be listed and traded on the BSE Limited and National Stock Exchange of India Limited. The Annual Listing fee for the year 2020-21 has been paid to both the stock exchanges.

31. Internal Controls Systems and Adequacy

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

The internal financial controls with reference to the Financial Statements for the year ended 31st March, 2020 commensurate with the size and nature of business of the Company.

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

32. Internal Audit

In terms of Sec.138 of the Companies Act, 2013 and the relevant Rules, the Company appointed Smt. Santhilatha, Chartered Accountant, an employee of the Company, as Internal Auditor. The Internal Auditor directly reports to the Audit Committee.

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

At the 24th Annual General Meeting held on 12th August, 2017 Tukaram & Co. LLP., Chartered

Accountants, Hyderabad have been appointed as Independent Auditors of the Company for a period of 5 years, to hold the office from the conclusion of 24th Annual General Meeting till the conclusion of 29th Annual General Meeting to be held in the year 2022. The ratification of the appointment of Tukaram & Co LLP, as Independent Auditors for the year 2020-21 is not required as per Companies (Amendment) Act, 2017 notified on 7th May, 2018.

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

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

34. Compliance with Secretarial Standards

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

35. Secretarial Audit

In terms of Sec. 204 of the Companies Act 2013 and the Rules made thereunder, M/s.V. Bhaskara Rao & Co., Hyderabad Practicing Company Secretary has been appointed as Secretarial Auditor of the Company for the year 2019-20, The report of the Secretarial Auditor is annexed to this Report.

36. Annual Secretarial Compliance Report

A Secretarial Compliance Report for the financial year ended 31st March, 2020 on compliance of all applicable SEBI Regulations and circulars/ guidelines, issued by M/s.V. Bhaskara Rao & Co., Secretarial Auditors was submitted to Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

37. Directors' Responsibility Statement

Pursuant to the requirement Sec.134(3)(c)of the Companies Act, 2013 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 and Loss of the Company for that period;

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

(d) the directors had prepared the annual accounts on a going concern basis;

(e) the directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

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

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

(a) Conservation of Energy

(i)	The steps taken or impact on conservation of energy	Company enhanced the Solar Energy Capacity from 30 KW to 35.28 KW at Gujarat Plant.
		Replaced all Traditional Lights with LED Lights.
(ii)	The steps taken by the Company for utilizing alternate sources of energy	Company is studying feasibility of installing solar panels on roof top of its factory godowns to harness solar power.
(iii)	The capital investment on energy conservation Equipments	Solar Energy at Gujarat for ₹ 1.4 Lakhs, LED lights ₹ 20 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 - ₹ 817.66 Lakhs.
Outflow - ₹ 21,470.10 Lakhs

39. Public Deposits

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

40. Significant and Material Orders Passed by the Regulators

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

41. Human Resources

Your Company treats its human resources as one of its most important assets. Your Company continuously invests in attracting, retaining and development of talent on an ongoing basis. Your Company's thrust is on the promotion of talent internally through job rotation and job enlargement.

42. Particulars of Employees

The statement containing particulars of employees as required under Sec. 197(12) of Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 indicating (i) the ratio of remuneration of each director to the median employees remuneration and other details and (ii) statement showing the details of employees who are in receipt of remuneration of ₹ 102 Lakhs or more are enclosed at Annexure-5 of this report.

43. Policy under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

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

During the year ended 31st March, 2020 the Company has not received any complaints pertaining to sexual harassment of women at 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.

Acknowledgments

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
For Avanti Feeds Limited

A. Indra Kumar
DIN: 00190168
Chairman & Managing Director

Place: Hyderabad
Date : 27th June, 2020

Annexure-1

Form No. MGT-9

(Extract of Annual Return as at the Financial Year Ended on 31st March, 2020)

I. Registration and Other Details

i.	CIN	:	L16001AP1993PLC095778
ii.	Registration Date	:	06.01.1993
iii.	Name of the Company	:	Avanti Feeds Limited
iv.	Category / Sub-Category of the Company	:	Public Limited Company
v.	Address and Contact Details		
	a. Registered Office	:	Flat No. 103, Ground Floor, "R" Square, Pandurangapuram, Visakhapatnam-530 003, Andhra Pradesh.
	b. Corporate Office	:	G-2, Concorde Apartments, Somajiguda Hyderabad-500 082, Telangana State.
	Phone Nos	:	040-23310260/61
	Email ID	:	avantiho@avantifeeds.com
	Website	:	www.avantifeeds.com
vi.	Whether Listed Company	:	Yes
vii.	Name, Address and Contact details of Registrars & Transfer Agents	:	KFin Technologies Private Limited (Formerly Karvy Fintech Private Limited) Karvy Selenium Tower-B, Plot No.31 & 32, Financial District, Gachibowli, Nanakramguda Serilingampally, Hyderabad.500 008 Telangana State, India. Phone No: 040-6716222 Fax: 040-23001153 Email Id: einward.ris@kfintech.com

II. Principal Business Activities of the Company

Sl. No.	Name and Description of Main Products / Services	NIC Code of the Product / Service	% of Total Turnover of the Company
1	Shrimp Feed	15339	100

III. Particulars of Holding, Subsidiary and Associate Companies

Sl. No.	Name and Address of the Company	CIN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section under Companies Act, 2013
1	Avanti Frozen Foods Private Limited	U05000AP2015PTC096509	Subsidiary	60.00%	Sec.2(87)(ii)
2	SVIMSAN Exports & Imports Private Limited	U24239TG1998PTC030063	Subsidiary	100.00%	Sec.2(87)(ii)
3	Srivathsa Power Projects Private Limited	U40109TG1995PTC020411	Associate	49.99%	Sec.2(6)
4	Patikari Power Private Limited	U40103HP2000PTC024074	Associate	25.88%	Sec.2(6)

IV. Shareholding Pattern Between 31-03-2019 and 31-03-2020

(i) Category-wise Shareholding

Cat-egory Code	Category of Shareholder	No. of Shares Held at the Beginning of the Year 31-03-2019				No. of Shares Held at the End of the Year 31-03-2020				% Change During the Year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(A)	**PROMOTER AND PROMOTER GROUP**									
(1)	INDIAN									
(a)	Individual/HUF	19051469	37500	19088969	14.01	18988969	0	18988969	13.94	-0.07
(b)	Central Government/State Government(s)	0	0	0	0	0	0	0	0	0
(c)	Bodies Corporate	40534380	0	40534380	29.75	40534380	0	40534380	29.75	0
(d)	Financial Institutions/Banks	0	0	0	0	0	0	0	0	0
(e)	Others	0	0	0	0	0	0	0	0	0
Sub-Total A(1)		**59585849**	**37500**	**59623349**	**43.76**	**59523349**	**0**	**59523349**	**43.69**	**-0.07**
(2)	FOREIGN									
(a)	Individuals (NRIs/Foreign Individuals)	0	0	0	0	0	0	0	0	0
(b)	Bodies Corporate	0	0	0	0	0	0	0	0	0
(c)	Institutions	0	0	0	0	0	0	0	0	0
(d)	Qualified Foreign Investors	0	0	0	0	0	0	0	0	0
(e)	Others	0	0	0	0	0	0	0	0	0
Sub-Total A(2)		**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total A=A(1)+A(2)		**59585849**	**37500**	**59623349**	**43.76**	**59523349**	**0**	**59523349**	**43.69**	**-0.07**
(B)	**PUBLIC SHAREHOLDING**									
(1)	INSTITUTIONS									
(a)	Mutual Funds/UTI	3908052	61500	3969552	2.91	2843999	61500	2905499	2.13	-0.78
(b)	Financial Institutions/Banks	149462	13500	162962	0.12	108076	13500	121576	0.09	-0.03
(c)	Central Government/State Government(s)	3709545	0	3709545	2.72	3709545	0	3709545	2.72	0
(d)	Venture Capital Funds	0	0	0	0	0	0	0	0	0
(e)	Insurance Companies	0	0	0	0	0	0	0	0	0
(f)	Foreign Institutional Investors	18282847	1500	18284347	13.42	24288095	0	24288095	17.83	4.41

Cat-egory Code	Category of Shareholder	No. of Shares Held at the Beginning of the Year 31-03-2019				No. of Shares Held at the End of the Year 31-03-2020				% Change During The Year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(h)	Qualified Foreign Investors	0	0	0	0	0	0	0	0	0
(i)	Others	0	0	0	0	0	0	0	0	0
	Sub-Total B(1)	**26049906**	**76500**	**26126406**	**19.18**	**30949715**	**75000**	**31024715**	**22.77**	**3.60**
(2)	NON-INSTITUTIONS									
(a)	Bodies Corporate	2951423	75090	3026513	2.22	1483573	75090	1558663	1.14	-1.08
(b)	Individuals									
	(i) Individuals holding nominal share capital upto ₹ 1 Lakh	19423353	1243266	20666619	15.17	17730799	994266	18725065	13.74	-1.43
	(ii) Individuals holding nominal share capital in excess of ₹ 1 Lakh	2922820	0	2922820	2.15	1895600	0	1895600	1.39	-0.75
(c)	Others									
	CLEARING MEMBERS	348190	0	348190	0.26	222835	0	222835	0.16	-0.09
	DIRECTORS AND THEIR RELATIVES	11990	0	11990	0.01	11550	0	11550	0.01	0
	FOREIGN BODIES	21030630	0	21030630	15.44	21030630	0	21030630	15.44	0
	IEPF	591915	0	591915	0.43	606915	0	606915	0.45	0.01
	Non-Resident Indians	1191411	259500	1450911	1.06	1011727	241500	1253227	0.92	-0.15
	NRI Non-Repatri-ation	444893	0	444893	0.33	391255	0	391255	0.29	-0.04
	TRUSTS	1394	0	1394	0	1826	0	1826	0	0
(d)	Qualified Foreign Investors	0	0	0	0	0	0	0	0	0
	Sub-Total B(2)	48918019	1577856	50495875	37.06	44386710	1310856	45697566	33.54	-3.52
	Total B=B(1)+B(2)	74967925	1654356	76622281	56.24	75336425	1385856	76722281	56.31	0.07
	Total (A+B)	134553774	1691856	136245630	100.00	134859774	1385856	136245630	100.00	0
(C)	Shares held by custodians, against which Depository Receipts have been issued									
(1)	Promoter and Promoter roup	0	0	0	0	0	0	0	0	0
(2)	Public	0	0	0	0	0	0	0	0	0
GRAND TOTAL (A+B+C)		**134553774**	**1691856**	**136245630**	**100.00**	**134859774**	**1385856**	**136245630**	**100.00**	

(ii) Shareholding of Promoters and Promoter Group

Sl. No.	Shareholder's Name	Shareholding as on 01-04-2019			Shareholding as on 31-03-2020			% Change in Shareholding During the Year
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged / Encumbered to Total Shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged / Encumbered to Total Shares	
1	Sri Indra Kumar Alluri	8330700	6.11%	0	8330700	6.11%	0	0.00%
2	Alluri Indra Kumar - HUF	8189250	6.01%	0	8189250	6.01%	0	0.00%
3	Srinivasa Cystine Private Limited	36299115	26.64%	0	36299115	26.64%	0	0.00%
4	Sanjeeva Agro-Vet Private Limited	4235265	3.11%	0	4235265	3.11%	0	0.00%
5	Sri Nuthakki Ram Prasad	279701	0.21%	0	229701	0.17%	0	(-)0.04%
6	Sri Venkata Sanjeev Alluri	710700	0.52%	0	710700	0.52%	0	0.00%
7	Sri Alluri Nikhilesh Chowdary	691650	0.51%	0	691650	0.51%	0	0.00%
8	Smt. N Naga Ratna	95022	0.07%	0	95022	0.07%	0	0.00%
9	Sri G Venkatesh	512196	0.38%	0	462196	0.34%	0	(-)0.04%
10	Sri Pitchaiah Chukkapalli	0	0.00%	0	0	0.00%	0	0.00%
11	Sri CH Arun Kumar	37,500	0.03%	0	18750	0.01%	0	0.01%
12	Smt. Geda Sai Padmini	43650	0.03%	0	43650	0.03%	0	0.00%
13	Sri Katneni Jagan Mohan Rao	37500	0.03%	0	37500	0.03%	0	0.00%
14	Smt. Ratna Manikyamba Katneni	37500	0.03%	0	37500	0.03%	0	0.00%
15	Sri Amar Kumar Chukkapalli	37500	0.03%	0	37500	0.03%	0	0.00%
16	Smt. Sudha Vadlamudi	37500	0.03%	0	37500	0.03%	0	0.00%
17	Smt. Rayapaneni Raveena	37500	0.03%	0	37500	0.03%	0	0.00%
18	Sri Bommidala Srimannarayana	9600	0.01%	0	9600	0.01%	0	0.00%
19	Smt. P Gayathri	1500	0.00%	0	0.00	0.00%	0	0.00%
20	Sri Vijay Kumar Chukkapalli	0	0.00%	0	18750	0.01%	0	0.01%
21	Sri Srinivas Putchala	0	0.00%	0	1500	0.00%	0	0.00%
Total		**59623349**	**43.76%**	**0**	**59523349**	**43.69%**	**0**	**(-)0.07%**

(iii) Change in Promoters and Promoter Group Shareholding

Sl No	Change in Promoters and Promoter Group Shareholding	Shareholding as on 01-04-2019		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding During the Year (from 01-04-2019 to 31-03-2020)	
		No. of Shares	% of Total Shares of the Company				No. of Shares	% of Total Shares of The Company
1	Sri Indra Kumar Alluri	8330700	6.11%	31-03-2020	0		8330700	6.11%
2	Alluri Indra Kumar - HUF	8189250	6.01%	31-03-2020	0		8189250	6.01%
3	Srinivasa Cystine Private Limited	36299115	26.64%	31-03-2020	0		36299115	26.64%
4	SanjeevaAgro-Vet Private Limited	4235265	3.11%	31-03-2020	0		4235265	3.11%
5	Sri Nuthakki Ram Prasad	279701	0.21%	30-08-2019	-25000	Transfer	254701	0.19%
				27-09-2019	-25000	Transfer	229701	0.17%
				31-03-2020			229701	0.17%
6	Sri Venkata Sanjeev Alluri	710700	0.52%	31-03-2020	0	0	710700	0.52%
7	Sri Alluri Nikhilesh Chowdary	691650	0.51%	31-03-2020	0	0	691650	0.51%
8	Smt. N Naga Ratna	95022	0.07%	31-03-2020	0	0	95022	0.07%
9	Sri G Venkatesh	512196	0.38%	08-11-2019	-50000	Transfer	462196	0.34%
				31-03-2020	0	0	462196	0.34%
10	Sri Pitchaiah Chukkapalli	0	0%	31-03-2020	0	0	0	0%
11	Sri CH Arun Kumar	37,500	0.03%	03-10-2019	-18,750	Transfer	18,750	0.01%
				31-03-2020			18,750	0.01%
12	Smt. Geda Sai Padmini	43650	0.03%	31-03-2020	0	0	43650	0.03%
13	Smt. Ratna Manikyamba Katneni	37500	0.03%	31-03-2020	0	0	37500	0.03%
14	Sri Amar Kumar Chukkapalli	37500	0.03%	31-03-2020	0	0	37500	0.03%
15	Sri Katneni Jagan Mohan Rao	37500	0.03%	31-03-2020	0	0	37500	0.03%
16	Smt. Sudha Vadlamudi	37500	0.03%	31-03-2020	0	0	37500	0.03%
17	Smt. Rayapaneni Raveena	37500	0.03%	31-03-2020	0	0	37500	0.03%
18	Sri Bommidala Srimannarayana	9600	0.01%	31-03-2020	0	0	9600	0.01%
19	Smt. P Gayathri	1500	0%	19-03-2020	-1500	Transfer	0	0%
				31-03-2020	0	0	0	0%
20	Sri Vijay Kumar Chukkapalli	0	0%	03-10-2019	18750	Transfer	18750	0.01%
				31-03-2020	0	0	18750	0.01%
21	Sri Srinivas Putchala	0	0%	19-03-2020	1500	Transfer	1500	0%
				30-03-2020	0	0	1500	0%

iv) Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Promoter Group Shareholders)

Sl. No.	Name of the Shareholder	Shareholding as on 01-04-2019		Date	Increase/ Decrease in Share-holding	Reason	Cumulative Shareholding During the Year (from 01-04-2019 to 31-03-2020)	
		No of Shares	% of Total Shares of the Company				No of Shares	% of Total Shares of The Company
1	Thai Union Group Public Company Limited	21030630	15.44	31-03-2020			21030630	15.44
2	Thai Union Asia Investment Holding Limited	11954826	8.77	31-03-2020			11954826	8.77
3	Andhra Pradesh Industrial Development Corporation	3709545	2.72	31-03-2020			3709545	2.72
4	Pinebridge Global Funds - Pinebridge India Equity	483896	0.36	01-04-2019			483896	0.36
				21-06-2019	35179	Transfer	519075	0.38
				29-06-2019	519075	Transfer	1038150	0.76
				29-06-2019	-519075	Transfer	519075	0.38
				09-08-2019	56577	Transfer	575652	0.42
				16-08-2019	11782	Transfer	587434	0.43
				23-08-2019	22092	Transfer	609526	0.45
				30-08-2019	11361	Transfer	620887	0.46
				11-10-2019	96087	Transfer	716974	0.53
				18-10-2019	3913	Transfer	720887	0.53
				15-11-2019	47537	Transfer	768424	0.56
				07-02-2020	250000	Transfer	1018424	0.75
				14-02-2020	16785	Transfer	1035209	0.76
				06-03-2020	84913	Transfer	1120122	0.82
				13-03-2020	240171	Transfer	1360293	1.00
				20-03-2020	177308	Transfer	1537601	1.13
				27-03-2020	77016	Transfer	1614617	1.19
				31-03-2020			1614617	1.19
5	Aditya Birla Sun Life Trustee Private Limited A/C	1074433	0.79	01-04-2019			1074433	0.79
				31-05-2019	21900	Transfer	1096333	0.80
				20-09-2019	50000	Transfer	1146333	0.84
				27-09-2019	237418	Transfer	1383751	1.02
				30-09-2019	45000	Transfer	1428751	1.05
				04-10-2019	68000	Transfer	1496751	1.10
				25-10-2019	141200	Transfer	1637951	1.20
				01-11-2019	76600	Transfer	1714551	1.26
				15-11-2019	151493	Transfer	1866044	1.37
				03-01-2020	97131	Transfer	1963175	1.44
				10-01-2020	1092	Transfer	1964267	1.44
				17-01-2020	36046	Transfer	2000313	1.47
				17-01-2020	-30931	Transfer	1969382	1.45
				24-01-2020	-30000	Transfer	1939382	1.42
				07-02-2020	108739	Transfer	2048121	1.50
				14-02-2020	-65435	Transfer	1982686	1.46
				21-02-2020	-197686	Transfer	1785000	1.31
				13-03-2020	-19031	Transfer	1765969	1.30
				20-03-2020	-3624	Transfer	1762345	1.29
				31-03-2020			1762345	1.29

Sl. No.	Name of the Shareholder	Shareholding as on 01-04-2019		Date	Increase/ Decrease in Share-holding	Reason	Cumulative Shareholding During the Year (from 01-04-2019 to 31-03-2020)	
		No of Shares	% of Total Shares of the Company				No of Shares	% of Total Shares of The Company
6	Lincoln P Coelho	870000	0.64	01-04-2019			870000	0.64
				26-07-2019	-60000	Transfer	810000	0.59
				02-08-2019	30000	Transfer	840000	0.62
				23-08-2019	-40000	Transfer	800000	0.59
				27-09-2019	-30000	Transfer	770000	0.57
				10-01-2020	100000	Transfer	870000	0.64
				31-03-2020			870000	0.64
7	Pinebridge Global Funds - Pinebridge Asia EX Japan	863225	0.63	01-04-2019			863225	0.63
				26-04-2019	60000	Transfer	923225	0.68
				31-05-2019	57720	Transfer	980945	0.72
				21-06-2019	152836	Transfer	1133781	0.83
				29-06-2019	1133781	Transfer	2267562	1.66
				29-06-2019	-1133781	Transfer	1133781	0.83
				23-08-2019	884	Transfer	1134665	0.83
				30-08-2019	75525	Transfer	1210190	0.89
				06-09-2019	140666	Transfer	1350856	0.99
				13-09-2019	152194	Transfer	1503050	1.10
				07-02-2020	112728	Transfer	1615778	1.19
				31-03-2020			1615778	1.19
8	Morgan Stanley Asia (Singapore) Pte. - ODI	0	0.00	01-04-2019			0	0.00
				01-11-2019	1600	Transfer	1600	0.00
				08-11-2019	102694	Transfer	104294	0.08
				15-11-2019	128507	Transfer	232801	0.17
				13-12-2019	-1262	Transfer	231539	0.17
				20-12-2019	590	Transfer	232129	0.17
				27-12-2019	15891	Transfer	248020	0.18
				31-12-2019	20831	Transfer	268851	0.20
				31-01-2020	-36722	Transfer	232129	0.17
				14-02-2020	26037	Transfer	258166	0.19
				21-02-2020	30332	Transfer	288498	0.21
				28-02-2020	301447	Transfer	589945	0.43
				06-03-2020	77716	Transfer	667661	0.49
				20-03-2020	48890	Transfer	716551	0.53
				31-03-2020			716551	0.53
9	Government Pension Fund Global	663495	0.49	01-04-2019			663495	0.49
				22-11-2019	-57463	Transfer	606032	0.44
				29-11-2019	-78117	Transfer	527915	0.39
				20-03-2020	440749	Transfer	968664	0.71
				27-03-2020	59251	Transfer	1027915	0.75
				31-03-2020			1027915	0.75
10	Investor Education and Protection Fund Authority	591915	0.43	01-04-2019			591915	0.43
				30-08-2019	-1500	Transfer	590415	0.43
				25-10-2019	25500	Transfer	615915	0.45
				24-01-2020	-4500	Transfer	611415	0.45
				31-01-2020	-1500	Transfer	609915	0.45
				20-03-2020	-3000	Transfer	606915	0.45
				31-03-2020			606915	0.45

Sl. No.	Name of the Shareholder	Shareholding as on 01-04-2019		Date	Increase/ Decrease in Share-holding	Reason	Cumulative Shareholding During the Year (from 01-04-2019 to 31-03-2020)	
		No of Shares	% of Total Shares of the Company				No of Shares	% of Total Shares of The Company
11	Vanguard Total International Stock Index Fund	545139	0.40	01-04-2019			545139	0.40
				26-04-2019	-13861	Transfer	531278	0.39
				06 03 2020	55713	Transfer	586991	0.43
				27 03 2020	42970	Transfer	629961	0.46
				31 03 2020			629961	0.46
12	Motilal Oswal Focused Business Advantage Fund	514000	0.38	01-04-2019			514000	0.38
				20-09-2019	-514000	Transfer	0	0.00
				31-03-2020			0	0.00

v) Shareholding of Directors and Key Managerial Personnel

Sl No	Name of the Director / Key Managerial Personnel	Shareholding as on 01-04-2019		Date	Increase/ Decrease in Shareholding No. of Shares	Reason	Cumulative Shareholding During the Year (from 01-04-2019 to 31-03-2020)	
		No. of Shares	% of Total Shares of The Company				No. of Shares of Re. 1/- each	% of Total Shares of the Company
1	Sri Indra Kumar Alluri Chairman & Managing Director	8330700	6.11%	31-03-2020	0	0	8330700	6.11%
2	Sri C. Ramachandra Rao Joint Managing Director, CS & CFO	3,000	0%	31-03-2020	0	0	3,000	0%
3	Sri N. Ram Prasad Director	279701	0.20%	30-08-2019	-25000	Transfer	254701	0.19%
				27-09-2019	-25000	Transfer	229701	0.17%
				31-03-2020	0	0	229701	0.17%
4	Sri A.V. Achar Director	3,000	0%	31-03-2020	0	0	3,000	0%
5	K. Ramamohana Rao Director	0	0%	31-03-2020	0	0	0	0%
6	Sri B.V. Kumar Director	0	0%	31-03-2020	0		0	0%
7	Sri M.S.P. Rao Director	440	0%	23-08-2019	440	Transfer	0	0%
				31-03-2020	0		0	0%
8	Sri N.V.D.S. Raju Director	0	0%	31-03-2020	0	0	0	0%
9	Smt. K. Kiranmayee Director	5,550	0%	31-03-2020	0	0	5,550	0%
10	Mr. Bunluesak Sorajjakit Director	0	0%	31-03-2020	0	0	0	0%
11	Mr. Wai Yat Paco Lee Director	0	0%	31-03-2020	0	0	0	0%
12	Sri J.V. Ramudu Director	0	0%	31-03-2020	0	0	0	0%
13	Sri A. Venkata Sanjeev Executive Director	7,10,700	0.52%	31-03-2020	0	0	7,10,700	0.52%
14	Sri Solomon Arokia Raj, IAS Director - APIDC Nominee	0	0%	31-03-2020	0	0	0	0%
15	Dr Rajat Bhargava, IAS Director – APIDC Nominee	0	0%	31-03-2020	0	0	0	0%

VI Indebtedness

Indebtedness of the Company including interest outstanding / accrued but not due payment

(₹ in Lakhs)

Details	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i + ii + iii)	**0**	**0**	**0**	**0**
Change in Indebtedness during the				
financial year				
- Addition	0	0	0	0
- Reduction	0	0	0	0
Net Increase / (Decrease)	**0**	**0**	**0**	**0**
Indebtedness at the end of the financial year				
i) Principal amount	0	0	0	0
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i + ii + iii)	**0**	**0**	**0**	**0**

VII Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Joint Managing Director and Executive Director

(₹ in Lakhs)

Sl. No.	Particulars of Remuneration	A. Indra Kumar CMD	C.R. Rao JMD	A. Venkata Sanjeev ED	Total Amount
1	Gross Salary				
	(a) Salary as per Section 17(1) of the Income-Tax Act, 1961	380.08	198.74	42.97	621.79
	(b) Value of Prerequisite u/s 17(2) Income Tax Act, 1961	4.36	-	-	4.36
	(c) Profit in lieu of salary under				
2	Stock option	-	-	-	-
3	Sweat Equity	-	-	-	
4	Commission				
	As % of profit	1556.88	1167.66	-	2724.54
	others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total (A)	**1941.32**	**1366.40**	**42.97**	**3350.69**
	Ceiling as per the ACT				**4281.41**

B. Remuneration of Other Directors

(₹ in Lakhs)

Sl. No.	Particulars of Remuneration	Name of the Director							Total
1	**Independent Directors**	**AV Achar**	**BV Kumar**	**MSP Rao**	**KR Rao**	**NVDS Raju**	**K Kiranmayee**	**JV Ramudu**	
	Fee for Attending Board/ Committee Meetings	6.80	6.40	4.80	5.20	3.20	3.60	3.60	33.60
	Commission	-	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-	-
	Total (1)	6.80	6.40	4.80	5.20	3.20	3.60	3.60	33.60
2	**Other Non-Executive Directors**	**N Ram Prasad**	**Bunlusak Sorajjakit**	**Wai Yat Paco Lee**	**APIDC (Nominee)**				
	Fee for Attending Board / Committee Meetings	2.80	1.60	1.20	-				5.60
	Commission	-	-	-	-				
	others, specify...	-	-	-	-				
	Total (2)	**2.80**	**1.60**	**1.20**	**-**	**-**	**-**		**5.60**
	Total (B) = 1+ 2	**9.60**	**8.00**	**6.00**	**5.20**	**3.20**	**3.60**	**3.60**	**39.20**

Overall Ceiling as per the Act, Sitting Fees payable to a director for attending Board / Committee Meeting shall not exceed Rs 1,00,000/- per meeting.

C. Remuneration to key managerial personnel other than Managing Director / Whole-Time Director

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary				
	(a) Salary as per section 17(1) of the Income-tax Act, 1961	**NIL**	**NIL**	**NIL**	**NIL**
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	**NIL**	**NIL**	**NIL**	**NIL**
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	**NIL**	**NIL**	**NIL**	**NIL**
2	Stock Option	**NIL**	**NIL**	**NIL**	**NIL**
3	Sweat Equity				
4	Commission	**NIL**	**NIL**	**NIL**	**NIL**
	- as % of Profit	**NIL**	**NIL**	**NIL**	**NIL**
	- others, specify	**NIL**	**NIL**	**NIL**	**NIL**
5	Others, please specify	**NIL**	**NIL**	**NIL**	**NIL**
	Total	**NIL**	**NIL**	**NIL**	**NIL**

IX. Penalties / Punishment / Compounding of Offences

Type	Section of The Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding Fees Imposed	Authority [RD/ NCLT / Court]	Appeal Made, if Any (Give Details)
A. COMPANY					
Penalty					
Punishment		**NIL**			
Compounding					
B. DIRECTORS					
Penalty					
Punishment		**NIL**			
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment		**NIL**			
Compounding					

Annexure-2

FORM AOC–2

Disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including arms length transactions under fourth (4th) provision there to:

1. During the year 2019-20 there are no arrangements or transactions with related parties which were not at arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis:

Name	Relationship	Nature & Tenure of Contract	Justification for Entering in to Contracts	Salient Conditions	Date of Approvals
Shri A. Indra Kumar	Key Managerial Person	LEASE of Flat No: G2, Concorde Apartments for 5 years ending 31.03.2016 for Corporate Office	Since the inception the Corporate Office of the Company is operating from this premises which is centrally located and rent of the premises is very reasonable and is at arm's length.	2.16 Lakh per annum	12.08.2016
Srinivasa Cystine (P) Ltd	Associate Company	LEASE of Flat No.104, Concorde Apartments for 5 years ending 31.03.2016	Since the inception the Corporate Office of the Company is operating from this premises which is centrally located and rent of the premises is very reasonable and is at arm's length.	2.55 Lakh per annum	12.08.2016
Avanti Frozen Foods (P) Limited	Subsidiary	Purchase of MEIS licence	MEIS licenses accrue to AFFPL on its exports and are purchased for payment of customs duties on import of raw material and spares. The purchases are made at prevailing market prices at the time of purchase.	Purchases amounted to 2993.62 Lakhs	26.05.2018
Avanti Frozen Foods (P) Limited	Subsidiary	Commission from AFFPL for extending Corporate Guarantee to SBI for sanction of working capital limits by SBI to AFFPL	AFL extended corporate guarantee to the working capital limits sanctioned by the SBI to AFFPL Commission @ 0.25% PAon corporate guarantee amount is charged to AFFPL.	37.60 Lakhs	10.11.2018
Avanti Frozen Foods (P) Limited	Subsidiary	Sale of Shrimp feed	Company sold Shrimp Feed for shrimp culture under taken by AFFPL. Shrimp feed is sold at the same price as sold to other dealers	218.43 Lakhs	26.05.2018
Avanti Frozen Foods (P) Limited	Subsidiary	Corporate Guarantee provided to AFFPL for working capital limits sanctioned by SBI	Corporate Guarantee	15,000.00 Lakhs	10.11.2018
Thai Union Feed Mill Co Ltd	Entity having significant influence on the company	Royalty Payment	Royalty Payment on sale of Shrimp Feed	954.04 Lakhs	26.05.2018

For and on behalf of the Board
For Avanti Feeds Limited

Place: Hyderabad
Date : 27th June, 2020

A. Indra Kumar
DIN: 00190168
Chairman & Managing Director

Annexure-3

REPORT ON CSR ACTIVITIES/ INITIATIVES
[Pursuant to Section 135 of the Act & Rules made thereunder]

1. The Company has its CSR Policy within broad scope laid down in Schedule VI to the Act, as projects / programmes / activities, excluding activities in its normal course of business.

2. The composition of the CSR Committee

Name	Designation	Chairman / Members
Sri A. Indra Kumar	Chairman & Managing Director	Chairman
Sri N. Ram Prasad	Non-Executive Non-Independent Director	Member
Sri. A.V. Achar	Independent Director	Member
Sri B.V. Kumar	Independent Director	Member
Smt. K. Kiranmayee	Independent Director	Member
Sri C. Ramachandra Rao	Joint Managing Director, Company Secretary & CFO	Member & Compliance Officer

4. Average Net Profit of the company for last 3 financial years : ₹ 404.75 Crores

5. Prescribed CSR expenditure (2% of amount) : ₹ 809.50 Lakhs

6. Details of CSR activities / projects undertaken during the year:

a) Total amount spent in the financial year: ₹ 1070.06 Lakhs

(₹ in Lakhs)

CSR Project	Sector(s) Covered within Schedule VII	Geographical Areas where Project was Implemented	Amount Outlay for Project	Amount Spent on the Project	Cumulative Spend upto the Reporting Period	Direct / through Implementing Agency*
1	2	3	4	5	6	7
Promoting Education among Children	Promoting Education among Children	Alluri Bapineedu Charitable Trust - Rural Development and Promoting Education	5.00	5.00		Direct
		Avanti Foundation - Rural Development and Promoting Education	656.00	656.00		Direct
		Jasti Venkataiah Memorial Rural Development Trust - Rural Development and Promoting Education	18.00	18.00		Direct
		Merit Scholarships To Students of ABN and PRR College of Science, Kovvur	0.78	0.78		Direct
		AVR Trust - Rural Development and Promoting Education	50.00	50.00		Direct
		Sri Venkateswara Vidyadana Trust	50.00	50.00		Direct
		CRR College - Promoting Education	5.00	5.00		Direct

CSR Project	Sector(s) Covered within Schedule VII	Geographical Areas where Project was Implemented	Amount Outlay for Project	Amount Spent on the Project	Cumulative Spend upto the Reporting Period	Direct / through Implementing Agency*
Eradicating hunger, Poverty and malnutrition and Providing Health care	Eradicating hunger, Poverty and malnutrition and Providing Health care	ABN PRR College - 1000 LPH Water Purifier System	1.50	1.50		Direct
		Literaray Club, Kovvur - Water Purifier System Spares to Enhancement Of Capacity From 1000 LPH To 2000 LPH	1.30	1.30		Direct
		Indian Red Cross Society,Eluru - Health Care Facilitation to the Poor and Needy Through Medical Camps	2.00	2.00		Direct
		Hrudaya Cure (A Little Heart Foundation) - which provides free medical treatment to the children with heart problems from economically poor families	25.00	25.00		Direct
		Sri Venkateswara Pranadana Trust	50.00	50.00		Direct
Environmental Sustainability	Environmental Sustainability	Sitapura - Asma Village - Pond Excavation Under "SujalamSafalam Jal Abhiyan - 2019"	0.91	0.91		Direct
Support to Cyclone effected people	Support to Cyclone effected people	Construction of sheds for farmers whose infrastructure washed out in Ghaja Cyclone in Tamilnadu	85.70	85.70		Direct
		Odisha – Phani Cyclone victims relief expenses	10.17	10.17		Direct

CSR Project	Sector(s) Covered within Schedule VII	Geographical Areas where Project was Implemented	Amount Outlay for Project	Amount Spent on the Project	Cumulative Spend upto the Reporting Period	Direct / through Implementing Agency*
Promoting Sports	Promoting Sports	Sponsorship to Mr.V.Yesu Das - State-Level Shuttle Badminton Player for One Year Training by Pro Shuttle Badminton Academy, Tadepalli to play for the National Championship	1.10	1.10		Direct
		Kovvur Badminton Association - Shuttle Badminton Summer Coaching May-2019	1.19	1.19		Direct
		Sunrisers Youth Swachanda Seva Samastha- Organising Sunrises Youth Cricket Tournament	1.76	1.76		Direct
		Kovvur Badminton Association - New Gym construction for Sports persons in Kovvur Municipal Stadium	9.32	9.32		Direct
		Sponsor Ship for Summer Volley Ball Coaching Camp for May-19	3.51	3.51		Direct
		Cricket Tournament in Balda – Distributed T-Shirts 120 Nos	0.31	0.31		Direct
		Tandel Group Kosamba Apar Charitable Trust - Sponsorship for Avanti Cricket Cup tournament held in Kosamba	1.51	1.51		Direct
Promotion and development of Traditional Arts & Handy Crafts	Promotion and development of Traditional Arts & Handy Crafts	Crafts Council Of Telangana - Promoting Art and Culture	5.00	5.00		Direct
Care of aged & Disabled	Old age home	Contribution to Sowbhagya Durga Old Age Home to corpus fund to take care of inmates who are old and deserted.	10.00	10.00		Direct
Donations	Donations	Donation to PM Relief Fund – Covid 19	75.00	75.00		PM Relief Fund
Total			**1070.06**	**1070.06**		

For and on behalf of the Board
For Avanti Feeds Limited

A. Indra Kumar
DIN: 00190168
Chairman & Managing Director and
Chairman of the CSR Committee

Place: Hyderabad
Date : 27th June, 2020

Annexure-4

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES / ASSOCIATE COMPANIES / JOINT VENTURES

Part "A": Subsidiary

Name of the Subsidiary / Step Down Subsidiary	Avanti Frozen Foods Private Limited (Subsidiary)	Avanti Frozen Foods Inc. (Step Down Subsidiary)
1. Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	- Not applicable –	- Not applicable –
2. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	- Not applicable –	- Not applicable –
3. Share capital	₹ 1,001.67 Lakhs	₹ 7.53 Lakhs
4. Reserves & surplus	₹ 46,769.30 Lakhs	Nil
5. Total assets	₹ 52,468.90 Lakhs	₹ 7.53 Lakhs
6. Total Liabilities	₹ 4,697.93 Lakhs	₹ 7.53 Lakhs
7. Investments	NIL	NIL
8. Turnover	₹ 95,490.43	NIL
9. Profit before taxation	₹ 10,767.41 Lakhs	NIL
10. Provision for taxation	₹ 817.62 Lakhs	NIL
11. Profit after taxation	₹ 9,949.79 Lakhs	NIL
12. Proposed Dividend	NIL	NIL
13. % of shareholding	60%	60%

Part "B": Associates and Joint Ventures

Name of Associates / Joint Ventures	Srivathsa Power Projects Limited	Patikari Power Private Limited
1. Latest audited Balance Sheet Date	31.03.2020	31.03.2020
2. Shares of Associate / Joint Ventures held by the Company on the year end No.	1,66,93,630	1,06,45,200
Amount of Investment in Associates/Joint Venture	₹ 1,670.54 Lakhs	₹ 1,064.52 Lakhs
Extent of Holding %	49.99%	25.89%
Description of how there is significant influence	Two directors nominated	Two directors nominated
3. Reason why the associate / joint venture is not consolidated	Not Applicable	Not Applicable
4. Networth attributable to Shareholding as per latest audited Balance Sheet	₹ 2,030.83 Lakhs	₹ 1,157.32 Lakhs
5. Profit / (Loss) for the year		
i. Considered in Consolidation	₹ (99.51) Lakhs	₹ 140.91 Lakhs
ii. Not Considered in Consolidation	NIL	NIL

Annexure-5

RATIO OF REMUNERATION TO EACH DIRECTOR

Details / Disclosures of Ratio of Remuneration to each Director to the median employee's remuneration :

(i)	the ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year	A. Indra Kumar: 655:1 C. Ramachandra Rao: 461:1 A. Venkat Sanjeev: 14:1
(ii)	the percentage decrease in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	A. Indra Kumar: 9% C. Ramachandra Rao: 6%
(iii)	the percentage increase in the median remuneration of employees in the financial year	6.17%
(iv)	the number of permanent employees on the rolls of Company	1084 employees
(v)	the explanation on the relationship between average increase in remuneration and Company performance	Normal yearly increments to staff.
(vi)	comparison of the remuneration of the Key Managerial Personnel against the performance of the Company	1. Turnover increased by 15.49% from ₹ 2,738.42 Crs in 2018-19 to ₹ 3,162.57 Crs in 2019-20. 2. PBT increased by 12.16% from ₹ 335.67 Crs in 2018-19 to ₹ 376.49 Crs in 2019-20.
(vii)	(a) variations in the market capitalization of the Company (b) price earnings ratio as at the closing date of the current financial year and previous financial year (c) percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the Company as at the close of the current financial year and previous financial year	As on 31.03.2020 / As on 31.03.2019 Market Capitalization Rs: 4010.35 Crs / 5558.61 Crs PE Ratio: 14.02 / 25.11 Company had came out with IPO in 1994, An amount of ₹1,000/- invested in IPO in 1994 would be worth ₹4,41,375/- indicating compounded annual growth rate of 23.26%. This is excluding the dividend accrued there on in all these years.
(viii)	(a) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year (b) its comparison with the percentile increase in the managerial remuneration (c) justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	11.79% Managerial Remuneration increased by 16% because : (i) a part of managerial remuneration is based on Profits of the Company (ii) The PBT of the Company increased by 12.16% as compared to previous year.
(ix)	comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company	**Increase in Remuneration** A. Indra Kumar: 9% C. Ramachandra Rao: 6% **Performance of the Company** 1. Turnover increased by 15.49% from ₹2738.42 Crs in 2018-19 to ₹ 3,162.57 Crs in 2019-20. 2. PBT increased by 12.16% from ₹335.67 Crs in 2018-19 to ₹376.49 Crs in 2019-20.

(x) the key parameters for any variable component of remuneration availed by the directors;	A. Indra Kumar : 4% of PBT is paid as variable component in the form of commission. C. Ramachandra Rao : 3% of PBT is paid as variable component in the form of commission.
(xi) the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year;	NA
(xii) affirmation that the remuneration is as per the remuneration policy of the Company.	YES

STATEMENT SHOWING DETAILS OF EMPLOYEES OF THE COMPANY

(Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

Name of the Employee	Paresh Kumar Shetty
(i) designation of the employee	General Manager – Marketing
(ii) remuneration received	₹ 138.34 Lakhs
(iii) nature of employment, whether contractual or otherwise	Regular
(iv) qualifications and experience of the employee	MBA – Marketing with 24 years of experience
(v) date of commencement of employment	08.05.2012
(vi) the age of such employee	49 years
(vii) the last employment held by such employee before joining the Company	General Manager – Marketing in Suguna Foods Private Limited
(viii) the percentage of equity shares held by the employee in the Company within the meaning of clause (iii) of sub-rule (2) above; and	NA
(ix) whether any such employee is a relative of any director or manager of the Company and if so, name of such director or manager	NA
The employee, if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than sixty lakh rupees	NA
The employee, if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than five lakh rupees per month	NA
The employee, if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company	NA

MANAGEMENT'S DISCUSSION AND ANALYSIS

CAVEAT

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

Industry Overview

Global Aquaculture Demand and Production

The global outbreak of Corona virus, COVID-19, consequential lockdown and restrictions imposed by the countries affected had severe impact in the initial stages i.e., from the end of 2019 and almost till April and May'20. In anticipation of steep fall in consumption of Fish and Fisheries products, apprehensions of fall in prices, the farmers slow down aquaculture during March, April and May '20 which is normally the beginning of the peak season for shrimp culture. However, though there was a fall in the short term consumption, the situation gradually improved with stabilization of consumption in global demand for Fish and Fishery products. It is envisaged that though the COVID-19 impacted negatively during short period, in the long run, it is expected to stabilize. The science of stabilization globally is already perceived with global demand, price stabilization and return of normalcy in Production and Supply Chain. Unlike, some of the industries like Travel &Tourism, Hospitality which are likely to have a long term impact, the aquaculture industry has shown relatively fast resilience assuring sustainability of the industry. Under these circumstances, the estimated global production of Shrimp of 4.5 million MTs, as projected during GOAL 2019, appears achievable.

Indian Scenario

The shrimp production in the country during 2019 was about 7,50,000 MTs. During 2020, it is estimated that the production of shrimps in the country will be at the same level with a variance of 5% either way.

Strengths, Weakness, Opportunities and Threats

Strengths

The Company is a pioneer in Indian Shrimp industry having over 26 years of proven track record. The Company has technical expertise in developing need based feed formulation to suit the shrimp culture condition of different regions in India. This flexibility ensures consistent performance of Company's feed in varying climatic and other conditions of shrimp culture with assured yield to the farmer.

The Company provides the technical assistance to the farmer in shrimp culture by trained technical team and also provides the farmer with the developments in the techniques of shrimp culture for improved yields.

The Company has a strong dealership network as channel partners Pan-India catering to the requirements of the farmers. The Company engages, on continuous basis, research and developments in collaboration with technical experts of Thai Union Group in adopting to the changed needs of the shrimp culture activity.

The Company, with its technical expertise is capable of scaling up the production at short notice with competitive CAPEX.

Weakness

Although shrimp production has been growing in the country, year after year, continues to be concerned about inadequate infrastructure facilities, particularly power supply to aquaculture farms, lack of adequate cold store chain available for farmers to store their produce, affordable financial support to the farmers etc.

It is heartening to note that the Govt. of India has decided to provide support to the Aquaculture Sector by including this sector in the COVID-19 recovery package. It is expected that this initiative by the Govt. of India would go a long way in sustainable growth of the industry.

Though, the aquaculture is similar to agriculture in many aspects, the recognition of aquaculture on par with agriculture is still awaited from the Government in order to avail the benefits that are available to agriculture.

Opportunities

The global sea food consumption is increasing as Sea food is rich in nutrition and is a healthy food compared of other forms of meat. As per GOAL report the wild caught sea food is declining year after year necessitating the increase in farmed sea food.

With long coast line, India is ideally suited for development of seafood industry. A planned development would provide abundant opportunities for seafood industry. The successful adoption of Vannamei Specie shrimp culture has to be replicated for other species of exportable fishes for broad basing the export basket and gain recognition in international market.

Threats

The aqua culture activity is dependent on climatic conditions prevailing during season to season, which is unpredictable. Natural calamities like floods, cyclones, during the culture season can have serious impact on the prospects of successful culture. Inspite of technical advancement and development of Specific Pathogen Free (SPF) seed, the possibilities of the shrimps getting affected by virus and diseases cannot be ruled out.

Volatility of international prices of shrimps and fluctuating foreign exchange rates, US Anti-Dumping Duty and US Countervailing Duty continues to be the major areas of threat for the industry.

However, development of potential domestic market to support exports, strict adherence of traceability, scientific pond management, a judicious approach on prices and forex management is expected to reduce the impact of threats to a great extent.

Outlook

After a decline in the first half of 2019, the shrimp exports rose sharply towards the end of the year resulting in record shrimp production of over 7,50,000 tonnes. China and the US bought substantial quantities of shrimp from India in the last few months of the year.

During 2020, it is estimated that the production of shrimps in the country will be at the same level with a variance of 5% either way.

Power

The Company has investment in the following power projects:

(a) The 3.2 MW Wind Mill Project in Chitradurg, Karnataka State is operational and has generated 48.09 lac units during the year.

(b) Srivathsa Power Projects Private Limited:

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

During the year 2019-20, the gas supplied by GAIL was only 24,024 SCMD as against the nominated quota of 65,000 SCMD stated to be due to non-availability of APM-Gas. As a result, the power generation was limited to 97.04 Lakhs units as against generation capacity of 1,100 Lakhs units. During the year 2019-20 plant operated for 101 days and the Company reported a turnover of ₹ 393.59 Lakhs and a loss of ₹ 199.07 Lakhs after charging interest and depreciation, as per audited financials.

(c) Patikari Power Private Limited

The Company holds 25.88% equity shares of Patikari Power Private Limited which has a 16 MW Hydel Power Project in Himachal Pradesh. During the year 2019-20 as per audited financials the Company generated 530.12 Lakhs saleable energy units, yielding a gross sales income of ₹ 1,191.87 Lakhs which resulted in a net profit of ₹ 544.28 Lakhs after charging interest, depreciation and tax.

Internal Control Systems and their Adequacy

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

In addition, Company has an internal Risk & Compliance Department headed by a Chartered Accountant having 21 years of experience in the relevant field. The Department is responsible to ensure compliance of all the statutory requirements by the Company. This Department is also responsible for Internal Audit and periodical risk appraisal, internal as well as external, of all the functional departments in the organization. On the basis of the appraisal, potential risks are identified and preventive measures are initiated depending on the perceived gravity of the risk.

Discussion on Financial performance with respect to operational performance

(i) Operational Performance

The financial statements have been prepared in compliance with the requirement of the

Companies Act, 2013 and Indian Accounting Standards in India. During the year under review, your company reported profit of ₹ 37,637.50 Lakhs before tax adjustments as compared to profit of ₹ 33,567.20 Lakhs in the previous year.

(ii) Segment-wise Performance

The segment-wise performance of the Company during the year 2019-20 is disclosed in the Notes to Accounts at Schedule No. 41.

Key Financial Ratios

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

	2020	2019
Operating Profit Margin (%)	9.98%	10.49%
Net Profit Margin (%)	8.87%	7.66%
Debtors Turnover – Based on Gross Sales Value (No of times)	132.26	155.47
Inventory Turnover	8.70	7.76
Current Ratio	4.99	4.80
Return on Net worth (%)	23.80%	20.06%

Notes:

1. Debtors Turnover ratio has been computed for both years on the basis of Gross Sales Value (net of rebates and discounts) instead of Gross Revenue.
2. Net Profit Margin and Return on Net worth ratios have been computed based on Profit After Tax (before exceptional items).
3. Return on Net Worth is higher for the year ended 31st March, 2020 due to reduction in Income Tax Rates on Taxable Income hence higher rate of growth in Profit After Tax.
4. 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. During the year under review the Company employed 70 persons and the total number of employees as on 31.03.2020 is 1084 employees.

Business Responsibility Report

Section A: General Information about the Company

1.	Corporate Identity Number (CIN) of the Company	:	L16001AP1993PLC095778
2.	Name of the Company	:	Avanti Feeds Limited
3.	Registered address	:	Flat No.103, Ground Floor, 'R' Square, Pandruangapuram, Visakhapatnam - 530003, Andhra Pradesh.
	Corporate Office Address	:	G-2, Concorde Apartments, 6-3-658, Somajiguda, Hyderabad - 500082. Telangana State.
4.	Website	:	www.avantifeeds.com
5.	E-mail ID	:	avantiho@avantifeeds.com
6.	Financial Year reported	:	2019-20

7. Sector(s) that the Company is engaged in (industrial activity code-wise)
   (a) 2309.90.00 Shrimp Feed
   (b) 8502.31.00 Power from wind mills
8. List three key products / services that the Company manufactures / provides (as in balance sheet)
   (a) Shrimp feed
   (b) Power from Wind mills
9. Total number of locations where business activity is undertaken by the Company
   i. Number of International Locations: NIL
   ii. Number of National Locations: Five(5)Shrimp Feed manufacturing plants and one (1) Wind Power Generation having 3.2 MW capacity and two (2) offices.
10. Markets served by the Company – Local / State / National / International:
    National: Company's Shrimp feed is marketed in the states of Andhra Pradesh, Tamilnadu, Gujarat, West Bengal, Odisha, Maharashtra, Karnataka and Goa through its extensive dealer network.
    International: Bangladesh through dealer.

Section B: Financial Details of the Company

1. Paid up Capital (₹): 1,362.46 Lakhs
2. Total Turnover (₹): 3,16,257.16 Lakhs
3. Total profit after taxes (₹): 28,597.67 Lakhs
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%).
   The Company has spent ₹ 1,070.06 Lakhs (includes unspent amount of ₹ 260.36 of FY 2018-19) towards CSR activities in the year 2019-20 and this is 3.7% (including unspent amount of FY 2018-19) of profit after tax for the year 2019-20.
5. List of activities in which expenditure in 4 above has been incurred:
   a. Promoting education by improving infrastructure in schools in rural areas.
   b. Contribution to trust for providing quality education to disadvantaged girl children from marginalized and economically poor families.
   c. Donation to trust towards medical and health activities.
   d. Promoting Environmental Sustainability.
   e. Promoting sports among youth.
   f. Contribution to Old Age Home to take care of inmates who are old and deserved.
   g. Relief to Cyclone effected people.

Section C: Other Details

1. Does the Company have any Subsidiary Company / Companies?

   Yes. Company has two subsidiaries. 1) Avanti Frozen Foods Private Limited

   2) SVIMSAN Exports and Imports Private Limited

2. Do the Subsidiary Company / Companies participate in the BR Initiatives of the parent company?

   No. M/s. SVIMSAN Exports and Imports (P) Ltd., has discontinued business operations. The Company applied to Registrar of Companies for removal of its name from the register of companies and the approval from ROC is awaited.

   The other subsidiary i.e., M/s. Avanti Frozen Foods Private Ltd., takes up CSR activities on its own.

3. Do any other entity / entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company?

   A large number of Company's raw material suppliers for shrimp feed are established entities in the organized sector. They don't participate directly in the BR initiatives of the Company, but they support them. Company's shrimp feed distributors / dealers are mostly proprietors or partnership firms catering to the shrimp feed demand of farmers engaged in shrimp culture and are not part of BR initiatives.

Section D: BR Information

1. Details of Director / Directors responsible for BR

   a) Details of the Director / Directors responsible for implementation of the BR policy / policies

   - DIN Number : 00190168
   - Name : Sri A. Indra Kumar
   - Designation : Chairman & Managing Director

   b) Details of the BR head

Sl. No.	Particulars	Details
1.	DIN Number	0026010
2.	Name	Sri C Ramachandra Rao
3.	Designation	Joint Managing Director, Company Secretary & CFO
4.	Telephone number	040-23310260
5.	e-mail ID	avantiho@avantifeeds.com

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

   (a) Details of Compliance:

Sl. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy / policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in Consultation with the relevant stake holders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify?	Policy conform to National Voluntary Guidelines on Social Environmental and Economic Responsibilities of Business issued by Ministry of Corporate Affairs.								
4	Has the policy being approved by the Board If yes, has it been signed by MD/ owner / CEO / appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board / Director / Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y

Sl. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
6	Indicate the link for the policy to be viewed online?	www.avantifeeds.com								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy / policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance Redressal mechanism related to the policy / policies to address stakeholders' grievances related to the policy / policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent Audit / evaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	N	N	N	N

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

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

3. Governance related to BR

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

Section E: Principle-wise performance

Principle 1

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

   The Company's Code of Conduct for Directors and Senior Managers covers the policy and it includes all individuals working with it and its subsidiaries.

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

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

   As reported in Corporate Governance Report, 242 investor complaints received during the FY 2019-20 and the complaints are resolved. No complaint was outstanding as on 31st March, 2020.

Principle 2

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

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

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

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

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

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

   No change in the trend of sourcing / production or distribution of the shrimp feed or processing and export of shrimps as compared to previous year.

3. Does the company have procedures in place for sustainable sourcing (including transportation)?

   i. If yes,what percentage of your inputs was sourced sustainably?

   The major raw material for production of shrimp feed is Soya DOC, Wheat Flour and sterilized fish meal.

   Fish Meal is produced by steam drying the sea caught fish. This being a natural resource, Ministry of Agriculture of Government of India have taken stringent steps to avoid catching juvenile fish. Also, fishing is banned during breeding season so as to allow replenishment of fish in sea. Our suppliers follow the guidelines issued by Ministry of Agriculture thereby making it sustainable.

4. Has the company taken any steps to procure goods and services from local & Small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

   The Company encourages and develops local manufacturers and small enterprises for supply of various locally available goods. Regular technical inputs are given by the Company to upgrade and maintain the quality of the products manufactured by such enterprises. The Company also gives priority to local service providers from obtaining various support services in its offices and plants.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as<5%,5-10%,>10%).

   The Company has a mechanism of recycling products and waste which is less than 5%.

Principle 3

1. Please indicate the Total number of employees: 1084 employees. (PY 1008)

2. Please indicate the Total number of employees hired on temporary / contractual / casual basis:160 employees (PY 160)

3. Please indicate the number of permanent women employees: 23 employees (PY 18).

4. Please indicate the Number of permanent employees with disabilities: 2 employees (PY Nil)

5. Do you have an employee association that is recognized by management: No.

6. What percentage of your permanent employees is members of this recognized employee association? Not applicable.

7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as at the end of the financial year.

Sl. No.	Category	No of Complaints Filed During the Financial Year 2019-20	No of Complaints Pending as at End of the Financial Year 2019-20
1	Child labour / forced labour / involuntary labour	NIL	NIL
2	Sexual harassment	NIL	NIL
3	Discriminatory employment	NIL	NIL

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?
   a) Permanent Employees: 80%
   b) Permanent Women Employees:100%
   c) Casual / Temporary / Contractual Employees:75%
   d) Employees with Disabilities: 100%

Principle 4

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

   The Company mapped its internal and external stake holders as follows:
   - Employees
   - Customers
   - Dealers
   - Suppliers
   - Shareholders
   - Bankers
   - Regulatory Authorities
   - Members of the Society

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

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

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

   The Company is in the process of identifying disadvantaged, vulnerable and marginalized stakeholders and proposes to take initiative based on the need of such stakeholders.

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

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

Principle 5

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

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

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

   There are no complaints regarding human rights violation from any quarter during the financial year 2019-20.

Principle 6

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

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

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

   Company has a well laid down energy policy and is always striving to implement measures to reduce carbon emissions. In the process Company has installed wind mills for power generation at Chitradurga in Karnataka and installed solar lights in its feed plants. Further, to conserve and recharge ground water, all the manufacturing units are equipped with rain water harvesting systems. To increase greenery, company has done extensive plantation in its factories and also planted trees in the nearby vicinity and villages. Company was also encouraging nearby villages to plant trees by providing saplings and tree guards for all such initiatives.

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

   As far as the Company's operations are concerned there are no potential environmental risks.

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

   Company does not have project related to Clean Development Mechanism.

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

   Company enhanced the Solar Energy capacity from 10 KW to 30 KW at Gujarat Plant.

   Installing New IE3 / IE4 high efficient motors for energy conservation.

   Replaced all Traditional Lights with LED Lights.

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

   All the factories of the Company comply with the prescribed emission norms of State Pollution Control Boards and during the financial year

2019-20 the emissions and waste generated by the Company are within the permissible limits given by SPCBs.

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

   No showcause or legal notices from the pollution control authorities are pending as at the end of financial year 2019-20.

Principle 7

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

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

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

   Sustainable Business Principles: lobbied with MPEDA for effective monitoring mechanism for stopping usage of antibiotics in shrimp culture and to check the menace of illegal hatcheries.

   Company lobbying along with associations for continuous power supply to farmers at rates applicable to agricultural sector with State and Central Governments.

Principle 8

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

   Company promotes girl child education and women education as it believes education will empower women.

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

   Some of the projects are implemented through its educational trust AVR Trust and some are implemented through in house team by supporting the educational institutes under CSR programme.

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

   Yes, the projects have been analyzed informally for their impact on the target beneficiary.

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

   Details given in Report on CSR Expenditure annexed to Board's Report.

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

   The above stated community activities are taken after discussion with the village elders and residents and are utilized extensively by the communities.

Principle 9

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

   The Company has a robust system to track customer feedback by an on field technical audit team "Technical After Sales Service". During the year Company received 106 customer complaints, out which none are pending for resolution as at the year end.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes / No / N.A. / Remarks.

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

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

   There are no cases filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and / or anti-competitive behavior during the last five years and pending as at end of financial year 2019-20.

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

   Every year at the end of shrimp crop season, customer satisfaction survey is conducted in many of the key market areas and steps are taken to improve the quality of feed and technical services based on the findings of these surveys.

Report on Corporate Governance

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, a Report on Corporate Governance is given below:

1. Company's Philosophy on Code of Governance

The Company believes that good Corporate Governance is an intrinsic part of its fiduciary responsibility as a responsible corporate citizen. Corporate Governance is about commitment to values and ethical business conduct. The Company's philosophy on Corporate Governance envisages achievement of highest level of transparency, accountability and equity, in all facets of its operations, and in all its interactions with its stakeholders, including shareholders, lenders and the Government. Timely and accurate disclosure of information regarding the financial performance, ownership and governance of the Company is an important part of Corporate Governance. The Company's Board extends its fiduciary responsibilities in the widest sense of the term and also endeavours to enhance long term shareholder value by serving and protecting the interests of all the stakeholders.

2. Board of Directors

The Company's policy is to have optimum combination of Executive and Non-Executive Directors, to ensure independent functioning of the Board. The Board consists of promoters, external and Independent Directors and include a Woman Director. The functions, responsibility, role and accountability of the Board are well defined. The detailed reports of the Company's activities and performance are periodically placed before the Board for effective decision making.

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

2.01 The names and categories of the Directors on the Board, their attendance at Board Meetings held during FY 2019-20 and at the last Annual General Meeting (AGM) and the number of Directorships and Committee Chairmanships / Memberships held by them in other public limited companies as on 31st March, 2020 are given below. Other directorships do not include directorships of private limited companies, foreign companies and companies under Sec. 8 of the Act. For the purpose of determination of limit of the Board Committees, Chairmanship and Membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of the Listing Regulations.

Sl. No.	Name of Director / Director Identification Number (DIN)	Category*	Number of Board Meetings Held	Number of Board Meetings Attended	Attendance in Last AGM on 9Th August, 2019	Directorship in Other Public Companies	Number of Committee Positions Held in Other Public Companies	
							Member	Chairman
1	Sri A. Indra Kumar DIN:00190168	Chairman & Managing Director - Promoter	6	6	Yes	4	1	-
2	Sri C. Ramachandra Rao DIN:00026010	Joint Managing Director, Company Secretary & Chief Financial Officer	6	6	Yes	2	1	-
3	Sri N. Ram Prasad DIN:00145558	NED	6	6	Yes	1	-	-
4	Mr. Bunluesak Sorajjakit DIN:02822828	NED	6	3	Yes	-	-	-
5	Mr. Wai Yat Paco Lee DIN:02931372	NED	6	3	Yes	-	-	-
6	Sri A.V. Achar DIN:00325886	NED/ID	6	6	Yes	1	-	-
7	Sri K. Ramamohana Rao DIN:02384687	NED/ID	6	6	Yes	2	2	1

Sl. No.	Name of Director / Director Identification Number (DIN)	Category*	Number of Board Meetings Held	Number of Board Meetings Attended	Attendance in Last AGM on 9Th August, 2019	Directorship in Other Public Companies	Number of Committee Positions Held in Other Public Companies	
							Member	Chairman
8	Sri B. V. Kumar DIN:00521139	NED/ID	6	6	Yes	-	-	-
9	Sri M. S. P. Rao DIN:00482071	NED/ID	6	6	Yes	4	-	-
10	Sri N.V.D.S. Raju DIN:05183133	NED/ID	6	6	Yes	-	-	-
11	Smt. K. Kiranmayee DIN:07117423	NEWD/ID	6	6	Yes	-	-	-
12	Sri J.V. Ramudu DIN:03055480,	NED/ID	6	5	Yes	1	2	1
13	Sri A. Venkata Sanjeev DIN:07717691 (Director from 07.06.2019 and Executive Director from 09.08.2019)	ED	6	3	Yes	-	-	-
14	Sri Solomon Arokia Raj IAS DIN:06802660, (upto 27.09.2019) Nominee of A.P.I.D.C – represented as Equity Investor	ND	6	0	No	6	-	-
15	Dr. Rajat Bhargava IAS DIN:08529091, (From 19.10.2019) Nominee of A.P.I.D.C – represented as Equity Investor	ND	6	0	NA	3	-	-

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

2.02 Name of other listed entities where Directors of the Company are Directors and the category of Directorship

Sl. No.	Name	Name of the Listed Entities	Category
1	Sri A. Indra Kumar	Nava Bharat Ventures Limited	Independent Director
2	Sri C. Ramachandra Rao	-	-
3	Sri N. Ram Prasad	-	-
4	Mr Bunluesak Sorajjakit	-	-
5	Mr. Wai Yat Paco Lee	-	-
6	Sri A.V. Achar	-	-
7	Sri K. Ramamohana Rao	-	-
8	Sri B.V. Kumar	-	-
9	Sri M.S.P. Rao	-	-
10	Sri N.V.D.S. Raju	-	-
11	Smt. K. Kiranmayee	-	-

Sl. No.	Name	Name of the Listed Entities	Category
12	Sri J.V. Ramudu	Suven Pharmaceuticals Limited	Non-Executive Director
13	Sri A. Venkata Sanjeev	-	-
14	Sri Solmon Arokia Raj IAS (upto 27.09.2019)	-	-
15	Dr. Rajat Bhargava, IAS (from 19.10.2019)	-	-

None of the Directors are members of more than ten committees or Chairman of more than five committees in public limited companies in which they are Directors. Necessary disclosures have been obtained from the Directors regarding their Directorship(s) and have been taken on record by the Board.

2.03 Details of Meetings of Board of Directors held during the financial year 2019-20

Six (6) Meetings of Board of Directors were held during the year 2019-20. The time gap between any two Board Meetings did not exceed by more than one hundred and twenty (120) days. The dates on which the said Board Meetings were held during 2019-20 are as follows:

Sl. No.	Date of Board Meeting
1	25.05.2019
2	07.06.2019
3	20.07.2019
4	19.10.2019
5	04.02.2020
6	24.02.2020

2.04 Disclosure of relationship between Directors inter-se

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

2.05 Statement showing number of Equity Shares held by the Non-Executive Directors as on 31.03.2020

The details of the equity shares held by the Non-Executive Directors as on 31.03.2020 are as under:

Sl No	Name of the Non-Executive Director	Number of Equity Shares Held as on 31.03.2020
1	Sri N. Ram Prasad	229701
2	Mr. Bunluesak Sorajjakit	--
3	Mr. Wai Yat Paco Lee	--
4	Sri A.V. Achar	3000
5	Sri B.V. Kumar	--
6	Sri M.S.P. Rao	--
7	Sri K. Ramamohana Rao	--
8	Sri N.V.D.S. Raju	--
9	Smt K. Kiranmayee	5550
10	Sri J.V. Ramudu	--
11	Sri Solomon Arokia Raj, IAS (upto 27.09.2019) Nominee of APIDC	--
12	Sri Rajat Bhargava, IAS (from 19.10.2019) Nominee of APIDC)	--

2.06 Independent Directors

Sri B.V. Kumar, Sri A.V. Achar, Sri M.S.P. Rao, Sri K. Ramamohana Rao, Sri N.V.D.S. Raju, Smt. K. Kiranmayee and Sri J.V. Ramudu are Non-Executive Independent Directors of the Company. All Independent Directors possess the requisite qualifications and are very experienced in their own fields. The letter(s) of appointment of the above Independent Directors were issued by the Company after their appointment and the same are disseminated on the website of the Company i.e., www.avantifeeds.com.

2.07 Criteria of Independence of Independent Directors

Sri A.V. Achar, Sri B.V. Kumar, Sri M.S.P. Rao, Sri K. Ramamohana Rao, Sri N.V.D.S. Raju, Smt. K. Kiranmayee and Sri J.V. Ramudu Independent Directors, have furnished a declaration that they meet the criteria of independence as laid down under Sec. 149(6) of the Companies Act 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, the Independent Directors fulfil conditions laid down under Sec.149(6) of the Companies Act 2013 and Regulation 16(1)(b) and other applicable Regulations and that they are independent of the management.

2.08 Familiarization Programme for Independent Directors

The Company familiarizes the independent Directors of the Company on their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc., through various programmes. The details of the familiarization programme held on 24.02.2020 is disseminated on the website of the Company at www.avantifeeds.com.

2.09 A matrix setting out the skills / expertise / competence of the Board of Directors is as under

Sl No	Name of the Director	Category	Skills / Expertise / Competence of the Directors				
			Technical	Financial	Administrative / HR	Legal	Aquaculture
1	Sri A. Indra Kumar	Chairman & Managing Director	✓		✓		✓
2	Sri C. Ramachandra Rao	Joint Managing Director, Company Secretary & CFO		✓	✓	✓	
3	Sri N. Ram Prasad	Non-Executive Director	✓	✓	✓		
4	Mr. Bunluesak Sorajjakit	Non-Executive Director	✓		✓		✓
5	Mr. Wai Yat Paco Lee	Non-Executive Director		✓	✓		
6	Sri A. V. Achar	Non-Executive Independent Director		✓	✓	✓	
7	Sri K. Ramamohana Rao	Non-Executive Independent Director			✓		✓
8	Sri B. V. Kumar	Non-Executive Independent Director		✓	✓	✓	
9	Sri M. S. P Rao	Non-Executive Independent Director	✓		✓		
10	Sri N.V.D.S. Raju	Non-Executive Independent Director		✓	✓	✓	

Sl No	Name of the Director	Category	Skills / Expertise / Competence of the Directors				
			Technical	Financial	Administrative / HR	Legal	Aquaculture
11	Smt. K. Kiranmayee	Non-Executive Independent Women Director			✓		
12	Sri J.V. Ramudu	Non-Executive Independent Director		✓	✓	✓	
13	Sri A Venkata Sanjeev	Executive Director	✓		✓		
14	Sri Solomon Arokia Raj IAS, (upto 27.09.2019) Nominee of A.P.I.D.C – represented as Equity Investor.	Nominee Director		✓	✓		
15	Dr. Rajat Bhargava, (from 19.10.2019) Nominee of A.P.I.D.C – represented as Equity Investor.	Nominee Director		✓	✓		

3. Changes in Directors

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

4. Audit Committee

4.01 Brief Description and Terms of Reference

In addition to the matters provided in SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and Sec. 177 of Companies Act, 2013, the Audit Committee reviews reports of the Internal Auditor, meets Independent Auditors i.e., Tukaram & Company LLP, Chartered Accountants, Hyderabad as and when required and discuss their findings, suggestions, observations and other related matters. It also reviews major accounting policies followed by the Company.

4.02 Composition & Attendance at the Meeting

The composition of the Audit Committee and details of meetings attended by the Members of the Audit Committee during the financial year ended 31.03.2020 are as under:

Name	Category	Designation	Meetings Held During the Year	Meetings Attended During the Year
Sri A.V. Achar	Independent Director	Chairman	6	6
Sri K. Ramamohana Rao	Independent Director	Member	6	6
Sri M.S.P. Rao	Independent Director	Member	6	5
Sri. B.V. Kumar	Independent Director	Member	6	6
Sri J.V. Ramudu (from 07.06.2019)	Independent Director	Member	6	4
Sri C. Ramachandra Rao	Joint Managing Director, Company Secretary & CFO	Compliance Officer	6	6

4.03 Details of the Audit Committee Meetings held during the financial year 2019-20

Six (6) Meetings of the Audit Committee were held during the year 2019-20 and the details are as under:

Sl. No.	Date of Meeting
01	18.05.2019
02	07.06.2019
03	18.07.2019
04	17.10.2019
05	01.02.2020
06	24.02.2020

4.04 General

The Minutes of the Audit Committee meetings were circulated to the Board, where it was discussed and taken note. The Audit Committee considered and reviewed the accounts for the year 2019-20, before it was placed before the Board. The Committee periodically interacts with the independent auditors, reviews the Company's financial and risk management policies and adequacy of internal controls with the management and is responsible for effective supervision of the financial reporting process and compliance with financial policies.

The Internal Auditor reports directly to the Audit Committee. The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on 9th August 2019.

5. Nomination & Remuneration Committee

5.01 Brief Description and Terms of Reference of Nomination & Remuneration Committee

- 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;
- Formulation of criteria for evaluation of Independent Directors and the Board'
- Devising a Policy on diversity of Board of Directors;
- Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal

5.02 Composition & Attendance at the Meeting

The composition of the Nomination and Remuneration Committee and details of the Committee Meetings held on 11.05.2019, 25.05.2019 and 07.06.2019 are given below:

Sl. No.	Name	Category	Designation	No. of Meetings Held	No. of Meetings Attended
1	Sri B.V. Kumar	Independent Director	Chairman	3	3
2	Sri A. Indra Kumar	Chairman& Managing Director	Member	3	2
3	Sri A.V. Achar	Independent Director	Member	3	3
4	Sri K. Ramamohana Rao	Independent Director	Member	3	2
5	Sri C. Ramachandra Rao	Joint Managing Director, Company Secretary & CFO	Compliance Officer	3	3

5.03 Performance Evaluation Criteria for Directors

The Nomination and Remuneration Committee at its meeting held on 25.03.2017 decided to implement internal assessment method of evaluation and formulated criteria for evaluation of Directors, Committees and Board taking in to account the criteria indicated by SEBI in its Guidance Note circulated on 05.01.2017.

6. Evaluation

6.01 Nomination & Remuneration Committee

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Nomination and Remuneration Committee evaluated the performance of the Directors on 20.06.2020 on the basis of criteria for evaluation of Directors formulated by it. The Committee could not evaluate the performance of the Nominee Directors of APIDC (i.e., Sri Solmon Arokia Raj, IAS and Dr. Rajat Bhargava, IAS) as they have not attended any of the meetings of the Board during the year 2019-20. The evaluation of the other Directors was made on the basis of structured questionnaire taking into account the indicative criteria prescribed by SEBI in its Guidance Note. The criteria inter alia include Qualification, experience, knowledge and competency, ability to function as a team, availability and attendance etc. The Director being evaluated did not participate in the evaluation process.

6.02 Separate Meeting of Independent Directors

A separate Meeting of the Independent Directors without the attendance of Non-Independent Directors and members of the management, was held on 20.06.2020. The Independent Directors (a) reviewed the performance of the Non-Independent Directors and Board, (b) reviewed the performance of the Chairperson of the Company and (c) assessed the quality, quantity and timeliness of flow of information between the Company management and the Board.

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

6.03 Evaluation by Board

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

7. Remuneration Of Directors

7.01 Criteria for making payments to Non-Executive Directors

The Company has laid down the criteria for making payments to the Non-Executive Directors. The details of such criteria are available in the Nomination & Remuneration Policy disseminated on website of the Company at www.avantifeeds.com.

7.02 Non-Executive Directors' Compensation & Disclosures

The Non-Executive Directors are entitled for (i) Sitting fee of ₹ 40,000/- (Rupees Forty Thousand only) and (ii) reimbursement of travel and hotel accommodation and other expenses incurred by them, for attending Board/Committee Meetings. Pursuant to Reg.34(3) and Sch.V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the details of the remuneration paid to Chairman & Managing Director, Joint Managing Director, Company Secretary & CFO, Executive Director and Non-Executive Directors (including Independent Directors) are indicated in the Extract of Annual Return (MGT-9) enclosed to the Board's Report.

7.03 Nomination & Remuneration Policy & Policy on Board Diversity

The Remuneration policy of the Company is performance driven and is structured to motivate employees, recognize their merits and achievements and promote excellence in their performance. The Nomination and Remuneration Policy of the Company is disseminated on the website of the Company at www.avantifeeds.com. The Policy on Board diversity of the Company was reviewed by the Nomination and Remuneration Committee and is disseminated on the website of the Company at www.avantifeeds.com.

7.04 The remuneration paid / payable to the Managing Director, Joint Managing Director, Company Secretary & CFO and Executive Director of the Company for the year ended 31st March, 2020 is as under:

(₹in Lakhs)

Name and Designation	All Elements of Remuneration Package i.e., Salary Benefits, Pension, Commission on Profits etc.
Sri A. Indra Kumar Chairman & Managing Director	1941.32
Sri C. Ramachandra Rao Joint Managing Director, Company Secretary & CFO	1366.40
Sri A. Venkata Sanjeev, Executive Director	42.97

8. Corporate Social Responsibility Committee

8.01 Composition

Sl. No.	Name	Designation	Chairman / Members
1	Sri A. Indra Kumar	Chairman & Managing Director	Chairman
2	Sri C. Ramachandra Rao	Joint Managing Director, Company Secretary & CFO	Member & Compliance Officer
3	Sri N. Ram Prasad	Director	Member
4	Sri A.V. Achar	Independent Director	Member
5	Sri B.V. Kumar	Independent Director	Member
6	Smt. K. Kiranmayee	Independent Director	Member

8.02 Terms of Reference

The Committee is primarily responsible for formulating and recommending to the Board of Directors a Corporate Social Responsibility (CSR) Policy and monitoring the same from time to time, amount of expenditure to be incurred on the activities pertaining to CSR and monitoring CSR activities.

8.03 CSR Policy

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

During the year 2019-20, one (1) meeting of the Corporate Social Responsibility Committee was held on 24.02.2020. The detailed report on CSR activities is disclosed in the Annexure-3 to the Board's Report.

9. Stakeholders Relationship Committee

9.01 Composition

The Stakeholders Relationship Committee was constituted with Sri N. Ram Prasad, Director as the Chairman and Sri K. Ramamohana Rao, Independent Director and Sri A.V. Achar, Independent Director as members. Sri C. Ramachandra Rao, Joint Managing Director, Company Secretary & CFO, is the Compliance Officer.

9.02 Terms of Reference

The Committee considers and resolves the grievances of shareholders, including the complaints related to transfer / transmission of shares, non-receipt of Balance Sheet and non-receipt of declared dividends.

9.03 Details of shareholders' requests / complaints received and resolved during the year ended 31st March, 2020 are as under

a. No. of requests / complaints Received : 242

b. No. of requests / complaints Resolved : 242

c. No. of requests / complaints not resolved to the satisfaction of the Shareholders : NIL

d. No. of pending requests / complaints : NIL

10. Risk Management Committee

Composition

Sl. No.	Name	Designation	Chairman / Members
1	Sri A. Indra Kumar	Chairman & Managing Director	Chairman
2	Sri C. Ramachandra Rao	Joint Managing Director, Company Secretary & CFO	Member & Compliance Officer
3	Sri N.V.D.S. Raju	Independent Director	Member
4	Sri A.V. Achar	Independent Director	Member
5	Smt. K. Kiranmayee	Independent Director	Member
6	Sri A. Venkata Sanjeev	Executive Director	Member

Terms of Reference

To monitor and review the risk management plan of the Company including cyber security.

During the year 2019-20, one (1) meeting of Risk Management Committee was held on 24.02.2020.

11. General Body Meetings

11.01 The details of location and time of the last three Annual General Meetings held are as follows:

Year	Location	Date	Time
2018-19	Vedika Hall, Hotel Daspalla, Jagdamba Junction, Visakhapatnam – 530 020. Andhra Pradesh	09.08.2019	11.00 A.M
2017-18	Vedika Hall, Hotel Daspalla, Jagdamba Junction, Visakhapatnam – 530 020. Andhra Pradesh	07.08.2018	11.00 A.M
2016-17	Vedika Hall, Hotel Daspalla, Jagdamba Junction, Visakhapatnam – 530 020. Andhra Pradesh	12.08.2017	11.00 A.M

11.02 Details of the Special Resolutions passed with requisite majority, in the previous three Annual General Meetings (AGM)

Sl. No.	Date of AGM		Details of Special Resolution passed
1	09.08.2019	(i)	Appointment of Sri A. Venkata Sanjeev (DIN: 07717691) as Whole-time Director designated as Executive Director for a period of 5 years.
		(ii)	Payment of remuneration to Executive Directors who are Promoters or members of the Promoter Group in excess of the limits prescribed under SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.
		(iii)	Re-appointment of Sri A.V. Achar (DIN:00325886) as Independent Director.
		(iv)	Re-appointment of Sri B.V. Kumar (DIN:00521139) as Independent Director.
		(v)	Re-appointment of Sri M.S.P. Rao (DIN:00482071) as Independent Director.
		(vi)	Re-appointment of Sri K. Ramamohana Rao (DIN: 02384687) as Independent Director.
		(vii)	Re-appointment of Sri N.V.D.S. Raju (DIN: 05183133)as Independent Director.
		(viii)	Re-appointment of Smt. K. Kiranmayee (DIN: 07117423) as Independent Director.
2	07.08.2018		No special resolution passed.
3	12.08.2017		Re-appointment of Sri C. Ramachandra Rao as Joint Managing Director, Company Secretary and CFO for a further period of 5 years w.e.f 01.08.2017.

12. Extraordinary General Meeting: There were no Extraordinary General Meetings held during the year 2019-20

13. Postal Ballot Resolutions

13.01 Details of Postal Ballot Resolutions passed during the year 2019-20.

There were no Postal Ballot Resolutions passed during the year 2019-20.

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

13.03 Procedure for Postal Ballot – Not Applicable.

14. Means of Communication

Sl No	Description	Remarks
1	Quarterly results.	The quarterly and half-yearly unaudited/audited financial results are informed to Bombay Stock Exchange and National Stock Exchange as prescribed under SEBI(LODR) Regulations.
2	Newspapers wherein results are normally published.	Financial Express (in English) and Andhra Prabha (in Telugu).
3	Website where the results are displayed.	www.avantifeeds.com
4	Whether the website also display official news releases.	Yes.
5	Presentations made to institutional investors or to analysts.	Yes.

15. General Shareholders' Information

Sl. No.	Item	Details
(i)	Annual General Meeting Date, Time and Venue	29.08.2020 at 11.00 A.M. through Video Conferencing (VC) / Other Audio Video Means (OAVM)
(ii)	Financial Year	2019-20
(iii)	Dividend payment date:	Board of Directors has declared on 24.02.2020 an Interim Dividend of ₹ 5/- (Rupees Five only) per Equity share of ₹ 1/- each fully paid for the financial year 2019-20. The same was paid by 12.03.2020 to all the shareholders as on record date i.e., 06.03.2020. Further, the Board, at its meeting held on 27.06.2020, recommended a Final Dividend of ₹ 0.10Ps (Ten paise only) per equity share of ₹ 1/- each fully paid for the Financial Year 2019-20. On approval of the members at the AGM on 29.08.2020, the Final Dividend will be paid within the prescribed time under the Companies Act, 2013.
(iv)	Dates of book closure	24.08.2020 to 29.08.2020(Both days inclusive).
(v)	Name and address of Stock Exchange(s) at which the equity shares are listed and confirmation about payment of annual listing fee to each of such Stock Exchanges.	The Company's Shares are listed on Bombay Stock Exchange and National Stock Exchange. The Address of these Exchanges is as under: 1. BSE Limited 1st Floor, New Trading Ring, Rotunda Building P.J. Towers, Dalal Street, Mumbai – 400 001. 2. National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex Bandra (East), Mumbai-400 051. The Company has duly paid the Listing fees for the year 2020-21 to BSE Limited (Bombay Stock Exchange) and National Stock Exchange where the shares of the Company are Listed.

Sl. No.	Item	Details
(vi)	Stock Code:	BSE : 512573 NSE : AVANTIFEED NSDL/CSDL ISIN No. : INE871C01038
(vii)	Whether the securities are suspended from trading during the year 2019-20	The equity shares of the Company were not suspended at any point of time during the year 2019-20 and also till the date of this Report.
(viii)	Financial Calendar for the year 2020-21(tentative)	First Quarter Results – By 15th August, 2020. Second Quarter / Half Year Results – By 15th November, 2020 Third Quarter / Nine Months Results – By 15th February, 2021 Fourth Quarter / Year end Results – By 30th May, 2021

16. Market Price Data

(i) The Market price details month wise (from 01.04.2019 to 31.03.2020) movement of equity shares of ₹ 1/- each fully paid at Bombay Stock Exchange are as under:

(₹)

Month and Year	Open Price	High Price	Low Price	Close Price
Apr-19	415.70	423.05	360.00	362.45
May-19	367.75	423.80	326.50	371.85
Jun-19	375.90	378.00	341.00	351.80
Jul-19	354.00	363.70	300.30	309.10
Aug-19	307.00	328.15	253.00	318.30
Sep-19	317.50	391.55	310.85	365.80
Oct-19	365.00	469.60	344.00	453.15
Nov-19	453.65	571.20	442.10	511.45
Dec-19	512.85	599.00	489.40	584.50
Jan-20	593.90	769.90	577.00	662.20
Feb-20	656.35	699.00	436.40	463.20
Mar-20	464.05	504.00	250.00	294.15

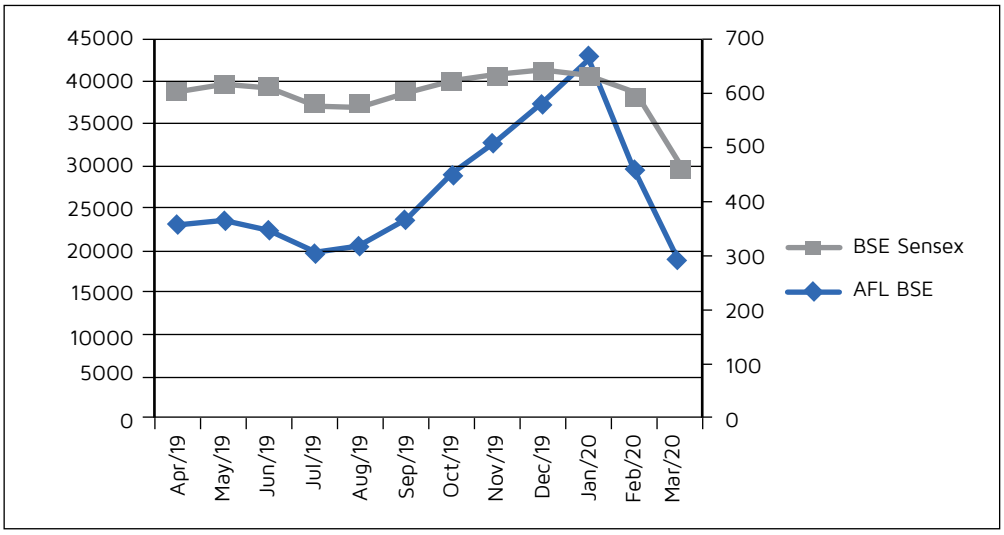
Performance comparison to BSE Sensex

(₹)

Sl. No	Name of the Month and Year	BSE Sensex	Avanti Feeds Market Price – Closing
1	Apr-19	39031.55	362.45
2	May-19	39714.20	371.85
3	Jun-19	39394.64	351.80
4	Jul-19	37481.12	309.10
5	Aug-19	37332.79	318.30
6	Sep-19	38667.33	365.80
7	Oct-19	40129.05	453.15
8	Nov-19	40793.81	511.45
9	Dec-19	41253.74	584.50
10	Jan-20	40723.49	662.20
11	Feb-20	38297.29	463.20
12	Mar-20	29468.49	294.15

Price Movement Graph (BSE)

1st April, 2019 to 31st March, 2020 (Equity share of ₹ 1/- each)



The Market price details month wise (from 01.04.2019 to 31.03.2020) movement of equity shares of ₹ 1/- each fully paid at National Stock Exchange are as under:

(₹)

Month & Year	Open Price	High Price	Low Price	Close Price
Apr-19	413.00	423.75	360.05	362.50
May-19	364.70	423.30	325.10	373.60
Jun-19	372.80	377.50	340.00	351.75
Jul-19	353.20	363.90	301.05	309.10
Aug-19	306.50	327.90	270.00	318.00
Sep-19	316.40	391.45	310.15	367.40
Oct-19	365.85	471.00	343.55	453.45
Nov-19	454.90	571.90	441.75	511.60
Dec-19	512.00	599.00	489.00	584.00
Jan-20	592.00	770.00	580.00	662.10
Feb-20	656.35	699.80	435.00	462.70
Mar-20	480.90	504.95	250.50	294.25

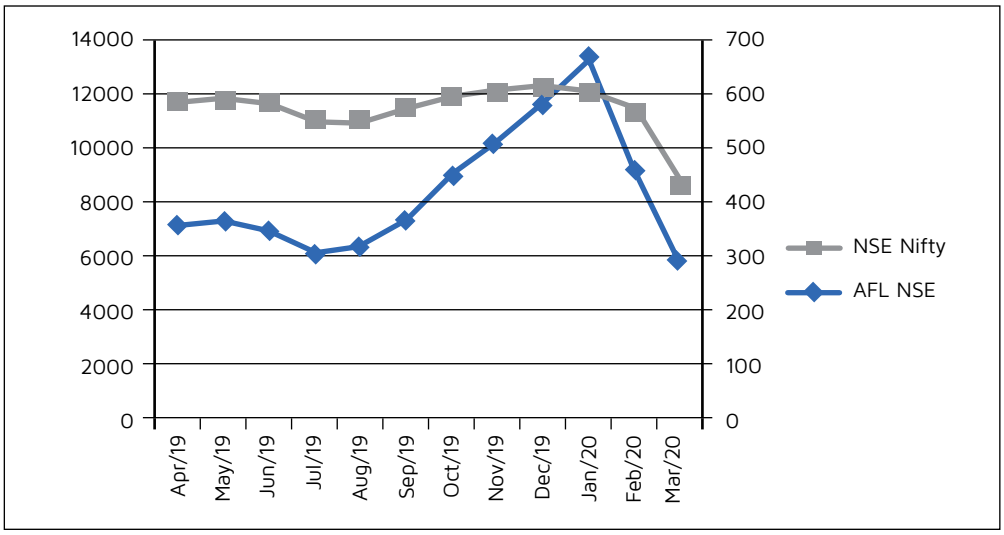
Performance Comparison to NSE Nifty

(₹)

Sl.No	Name of the Month and Year	NIFTY 50	Avanti Feeds Market Price – Closing
1	Apr-19	11748	363
2	May-19	11923	374
3	Jun-19	11789	352
4	Jul-19	11118	309
5	Aug-19	11023	318
6	Sep-19	11474	367
7	Oct-19	11877	453
8	Nov-19	12056	512
9	Dec-19	12168	584
10	Jan-20	11962	662
11	Feb-20	11202	463
12	Mar-20	8598	294

Price Movement Graph (NSE)

1st April, 2019 to 31st March, 2020 (Equity share of ₹ 1/-each)



17. Registrars and Transfer Agents

During the year, pursuant to Rule 29 of the Companies (Incorporation) Rules, 2014, our Registrar & Share Transfer Agent has changed its name from KARVY Fintech Private Limited to KFin Technologies Private Limited with effect from 05.12.2019. The address of KFin Technologies Private Limited, Registrars and Transfer Agents of the Company is as under:

KFin Technologies Private Limited
Karvy Selenium Tower B, Plot No.31-32, Gachibowli
Financial District, Nanakramguda, Hyderabad - 500 032.
Phone: 040-67162222, Fax No.040-23001153
Email ID: einward.ris@kfintech.com
Website: www.kfintech.com

18. Share Transfer System

All transfers received are electronically processed and approved by the Share 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 half-yearly Certificate of Compliance with share transfer formalities as required under Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, and files a copy of the said Certificate with Bombay Stock Exchange and National Stock Exchange.

19. SCORES

SEBI vide Circular No. CIR/OIAE/2/2011 Dt. 03.06.2011 informed the Company that they had commenced processing of investor complaints in a web based complaints, redressal system, "SCORES". Under this system, all complaints pertaining to companies are electronically sent through SCORES and the Companies are required to view the complaints pending against them and submit Action Taken Report (ATRs) along with supporting documents electronically in SCORES.

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

Name : Sri Rajeev Kumar
Designation : Manager, KFin Technologies Private Limited
Email ID : einward.ris@kfintech.com
Tele. No. : 040-6761524

20. Distribution Schedule as on 31.03.2020

The details of Distribution Schedule of equity shares as on 31.03.2020 are as under:

Sl. No.	Category	No. of Holders	% To Holders	No. of Shares	% To Equity
1	1-5000	95250	99.32	14624787	10.74
2	5001 - 10000	288	0.30	2048776	1.50
3	10001 - 20000	175	0.18	2427438	1.78
4	20001 - 30000	52	0.05	1307710	0.96
5	30001 - 40000	35	0.04	1212776	0.89
6	40001 - 50000	14	0.01	608264	0.45
7	50001 - 100000	43	0.04	2972634	2.18
8	100001 & Above	58	0.06	111043245	81.50
	Total	**95915**	**100.00**	**136245630**	**100.00**

21. Dematerialization of Shares and Liquidity

The details of dematerialization of shares as on 31.03.2020 is as under:

Sl. No.	Description	No of Holders	Equity Shares of Re.1/- each.	% To Equity
1	Physical	414	1385856	1.02
2	NSDL	43623	127023982	93.23
3	CDSL	51878	7835792	5.75
	Total	**95915**	**136245630**	**100.00**

The Company has entered into a tripartite agreement with NSDL and CDSL to establish electronic connectivity through Company's Electronic Registrar i.e., KFin Technologies Pvt. Ltd. (Formerly Karvy Fintech Private Limited), 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 Depositary participant of their choice, if not already done, to trade in the equity shares of the Company. The list of depositary participants is available with NSDL and CDSL. The ISIN allotted Company's scrip equity shares of Re.1/- each, is INE871C01038.

22. Reconciliation of Share Capital and Dematerialization of Shares

A quarterly audit was conducted by Sri V. Bhaskara Rao, Practicing Company Secretary, Hyderabad reconciling the issued and listed capital of the Company with the aggregate of the number of shares held by Investors in physical form and in the depositories and the said certificates were submitted to the stock exchanges within the prescribed time limit. As on 31.03.2020, there was no difference between the issued and listed capital and the aggregate of shares held by investors in both physical form and in electronic form with the depositories. 13,48,59,774 equity shares of ₹ 1/- (Rupees One only) representing 98.98% (Previous year 13,45,53,774 equity shares of ₹ 1/- each representing 98.76%) of the paid-up equity capital of the Company have been dematerialized as on 31.03.2020. Pursuant to Reg.40(9) of SEBI(LODR) Regulations, 2015, certificates have been issued on a half-yearly basis by Sri V. Bhaskara Rao, Practicing Company Secretary certifying due compliance of share transfer formalities by the Company and the Certificates are filed with the Bombay Stock Exchange and National Stock Exchange.

23. 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 year 2019-20.

24. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

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

25. 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 9001:2008 (for Quality Management Systems) and certified for implementing Best Aqua Culture Practices (BAP) by Global Aquaculture Alliance, USA.

Shrimp Feed Plant – I
No.15-11-24, Kovvur – 534 350.
West Godavari District, Andhra Pradesh.

Shrimp Feed Plant – II
Vemuluru, Kovvur – 534 350.
West Godavari District, Andhra Pradesh.

Shrimp Feed Plant – III
No.15-11-24, Kovvur – 534 350.
West Godavari District, Andhra Pradesh.

Shrimp Feed Plant – IV
Bandapuram Village
West Godavari District, Andhra Pradesh.

Shrimp Feed Plant - V
Block No.498/1 & 501, Pardi-Nashik Road, Balda Village
Pardi Taluk, Valsad District, Gujarat – 396 125.

Wheat Flour Plant
No.15-11-24, Kovvur – 534 350.
West Godavari District, Andhra Pradesh.

Wind Mill:
Lakkihalli Village, Hiriyur Taluk
Chitradurga District, Karnataka State.

26. Registered Office and Corporate Office

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

Registered Office
Flat No: 103, Ground Floor,
"R" Square, Pandurangapuram,
Vishakhapatnam – 530 003
Andhra Pradesh, India.

Corporate Office & Address for Correspondence
G-2, Concorde Apartments
6-3-658, Somajiguda, Hyderabad – 500 082.
Telangana State, India.

27. Other Disclosures

Sl. No.	Details	Remarks
1	Disclosure on materially significant Related Party Transactions.	NIL
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.	NIL
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 www.avantifeeds.com.
4	Inter-Relationships between Directors and Key Managerial personnel of the Company.	Sri N. Ram Prasad, Director is the spouse of Sri A. Indra Kumar's (Chairman & Managing Director) Sister. Sri A Venkata Sanjeev, Executive Director is the son of Sri A. Indra Kumar, Chairman & Managing Director.
5	Compliance of SEBI(LODR) Regulations,2015.	Mandatory Requirements. It is confirmed that the Company has complied with the requirements under Regulation 17 to 27 and Reg. 46(2) (b) to (i) of the SEBI (LODR) Regulations. Non-Mandatory Requirements: The Company has adopted the following non-mandatory (i.e., Discretionary) Requirements of Part-E of Schedule-II of SEBI (LODR) Regulations: Audit Qualifications: The Company is in the regime of unqualified financial statements. Reporting of Internal Auditor: The Internal Auditor directly reports to the Audit Committee.
6	Web-link where details of familiarization programme imparted to Independent Directors is disclosed.	www.avantifeeds.com
7	Web-link where policy determining the material subsidiaries is disclosed.	www.avantifeeds.com
8	Web-link where policy on dealing with Related Party Transactions is disclosed.	www.avantifeeds.com
9	Disclosure of commodity price risks and commodity hedging activities.	Nil

<table>
<tr><th>Sl. No.</th><th>Details</th><th>Remarks</th></tr>
<tr><td>10.</td><td>Web link where the dividend distribution policy of the Company is disclosed.</td><td>www.avantifeeds.com</td></tr>
<tr><td>11</td><td>Disclosure of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Reg.32(7A)</td><td>Not Applicable</td></tr>
<tr><td>12</td><td>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.</td><td>The Board has accepted the recommendations of all the Committees during the year 2019-20.</td></tr>
<tr><td>13</td><td>Total fee for all services paid by the listed entity and its subsidiaries to the Statutory Auditor.</td><td>M/s Tukaram & Co., LLP are the Independent Auditors only for Avanti Feeds Limited. The remuneration paid to Tukaram & Co. LLP for the company is as under:
Audit Fee: ₹ 20.00 Lakhs plus applicable taxes and out of pocket expenses.</td></tr>
<tr><td>14</td><td>Credit Ratings obtained during the year under review for all debt instruments or any fixed programme or any scheme or proposal involving mobilization of funds whether in India or abroad.</td><td>During the year under review, India Ratings & Research Private Limited (the 'India Ratings'), Affirmed the Credit rating as under:
<table>
<tr><th>Sl. No.</th><th>Details</th><th>Rating Affirmed</th></tr>
<tr><td>1</td><td>Avanti Feeds Ltd – Long Term Issuer Rating</td><td>IND AA(-)Stable</td></tr>
<tr><td>2</td><td>Fund Based Working Capital Limits (₹ 75 Crs.)</td><td>IND AA(-)Stable</td></tr>
<tr><td>3</td><td>Non-Fund Based Working Capital Limits (₹ 67 Crs.)</td><td>IND A1+</td></tr>
</table>
The Company has not mobilized any funds during the year under review.</td></tr>
<tr><td>15</td><td>Disclosures in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013</td><td>No. of complaints filed during the Year 2019-20 : NIL
No. of complaints disposed of during the year 2019-20 : NIL
No. of complaints pending as on 31.03.2020 : NIL</td></tr>
<tr><td>16</td><td>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.</td><td>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.</td></tr>
</table>

28. Disclosure in Respect of Demat Suspense Account / Unclaimed Suspense Account as on 31.03.2020

Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year.	...	NIL
Number of shareholders who approached the Company for transfer of shares from suspense account during the year.	...	NIL
Number of shareholders to whom shares were transferred from suspense account during the year.	...	NIL
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the Year.	...	NIL
That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares	...	NIL

29. Code for Prohibition of Insider Trading

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 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.

30. Disclosure of Accounting Treatment

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

31. Management Discussion and Analysis Report

The Management Discussion and Analysis Report is included elsewhere in this Annual Report.

32. Business Responsibility Report

The Business Responsibility Report in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 is included elsewhere in this Annual Report.

33. Scheduling and Selection of Agenda items for Board Meetings

33.01 Minimum four Board Meetings are held in each year, which are pre-scheduled after the end of each financial quarter. Apart from the pre-scheduled Board Meetings, additional Board Meetings are convened by giving appropriate notice to address specific needs of the Company. In case of business exigencies or urgency of maters, resolutions are passed by circulation.

33.02 The minimum information placed before the Board is as per the schedule II (Part-A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and inter alia include.

- Quarterly results of the Company and its operating divisions or business segments.
- Minutes of the meetings of Audit Committee and other Committees of the Board.
- The information on recruitment and remuneration of senior personnel just below the Board Level, including appointment of Chief Financial Officer and the Company Secretary.
- Non-compliance of any regulatory, statutory nature or listing requirements and shareholders' services such as delay in share transfer.
- Show cause, demand prosecution notices and penalty notices which are materially important.
- Notice of interest of Directors.
- Terms of reference of Board Committees.
- Any material default in financial obligations to and by the Company.

34. 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.

35. Compliance Certificate from the Independent Auditors

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

36. Subsidiary Companies

The Company has two unlisted subsidiary companies viz., Avanti Frozen Foods Pvt. Ltd. (subsidiary company) and SVIMSAN Exports & Imports Pvt. Ltd., (wholly owned subsidiary). Avanti Frozen Foods Pvt. Ltd., (AFFPL) is a material subsidiary of the Company in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. A separate note regarding details of operation of subsidiaries is included in Board's Report.

In terms of Reg.24(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company appointed Sri K. Ramamohana Rao, Independent Director of the Company, as Director on the Board of Avanti Frozen Foods Pvt. Ltd. material subsidiary of the Company.

The minutes of the meetings of the Board of Directors of Subsidiaries along with a report on the significant transactions with subsidiaries during the year 2019-20 are placed before the meetings of the Audit Committee once in a quarter. The Company has formulated a policy for determining the Material subsidiary and the policy is disseminated on the website of the Company at www.avantifeeds.com.

37. Declaration on Code of Conduct

This is to confirm that the Board has laid down a Code of Conduct for all Board members and senior management personnel of the Company which has been disseminated on the web site of the Company at www.avantifeeds.com. It is further confirmed that all Directors and Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended on 31.03.2020, as envisaged in Reg.26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

For and on behalf of the Board
Avanti Feeds Limited

A. Indra Kumar
DIN: 00190168
Chairman & Managing Director

Place : Hyderabad
Date : 27th June, 2020

COMPLIANCE CERTIFICATE
MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATION

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

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

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

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

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

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

d. We have indicated to the auditors and the Audit Committee:

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

   ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements and

   iii. That there have been no instances of significant fraud of which we have become aware, involving the management or an employee having a significant role in the Company's internal control system over financial reporting.

A. Indra Kumar
DIN:00190168
Chairman & Managing Director

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

Place : Hyderabad
Date : 27th June, 2020

Independent Auditors Certificate on Corporate Governance

To The Members of

AVANTI FEEDS LIMITED

1. We, M/s. TUKARAM & CO LLP., Chartered Accountants, the Statutory Auditors of **Avanti Feeds Limited** ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March, 2020, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Managements' Responsibility

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

Auditors' Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

4. We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI Listing Regulations during the year ended 31st March, 2020.

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.
Chartered Accountants
ICAI Firm Registration No: 004436S

(B. LOKANATH)
Partner
Membership No.024927
UDIN: 20024927AAAAAG3917

Place : Hyderabad
Date : 27th June, 2020

Form No. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

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

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31.03.2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Avanti Feeds Limited** ("the Company") for the financial year ended on 31.03.2020, according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 amended from time to time:

c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018

e. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; Not Applicable

f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008: Not Applicable

g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not Applicable and

i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not Applicable

(vi) Other applicable Acts

(a) Factories Act, 1948

(b) Industrial Disputes Act, 1947

(c) The Payment of Wages Act, 1936

(d) The Minimum Wages Act, 1948

(e) Employee State Insurance Act, 1948

(f) 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) Trade Marks Act, 1999
(r) 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) Explosive Act, 1884
(x) 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) Biological Diversity Act, 2002
(cc) The Indian Stamp Act, 1899
(dd) Registration Act,1908
(ee) AP Fire Safety Act, 1999 and Rules 2006
(ff) Legal Metrology Act 2009

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

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India;

(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 Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, except the Committee could not evaluate the performance of Nominee Directors of APIDC (i.e., Sri Solomon Arokia Raj, IAS and Dr Rajat Bhargava, IAS) as they have not attended any of the meetings of the Board during the year 2019-20, as mentioned in the Corporate Governance Report.

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

The decisions at the Board Meetings are carried out unanimously and there were no members dissenting the resolution(s) during the year under review.

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

We further report that during the audit period the company has taken following major actions bearing on the company's affairs in pursuance of above referred acts, rules and regulations etc.

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

V. Bhaskara Rao and Co
Company Secretaries

V. Bhaskara Rao
Proprietor
Place : Hyderabad FCS No.5939, CP No.4182
Date : 27th June, 2020 **UDIN: F005939B000389729**

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

ANNEXURE- 'A'

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

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

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

V. Bhaskara Rao and Co
Company Secretaries

V. Bhaskara Rao
Proprietor
FCS No.5939, CP No.4182
UDIN: F005939B000389729

Place : Hyderabad
Date : 27th June, 2020

Standalone Financials
2019-20

INDEPENDENT AUDITORS' REPORT

To the Members of
Avanti Feeds Limited

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **Avanti Feeds Limited** ('the Company') which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2020, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the 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 we have obtained 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.	Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of Ind AS 115 "Revenue from Contracts with Customers" (revenue accounting standard) The application of the 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. Refer Notes 2.4c and 22 to the Standalone Financial Statements	Principal Audit Procedures We assessed the Company's process to identify the impact of the revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: • Evaluated the design of internal controls relating to implementation of the new revenue accounting standard. • Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, reperformance and inspection of evidence in respect of operation of these controls. • Tested the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard. • Selected a sample of continuing and new contracts and performed the following procedures: • Read, analyzed and identified the distinct performance obligations in these contracts. • Compared these performance obligations with that identified and recorded by the Company. • Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration. • Samples in respect of revenue recorded upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services, were tested using a combination of DCs, Sales orders, weighment slips and non-returnable gate passes including customer acceptances, subsequent invoicing and historical trend of collections and disputes. • Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings. • 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.

S No	Key Audit Matters	Auditor's Response
2	The Company enters into various financial instruments such as investments in quoted and unquoted equity instruments, quoted mutual funds and quoted non-convertible debentures. As at 31st March, 2020, financial instruments carried at fair value through profit and loss totalled ₹ 54,965.13 lakhs (current investments of ₹ 54,538.73 lakhs and non-current investments of ₹ 426.40 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.	Our procedures included but were not limited to: • Obtaining an understanding of the internal risk management procedures and the systems and controls associated with the origination and maintenance of complete and accurate information relating to financial instruments; • Utilizing our treasury experts, we also tested on a sample basis the existence and valuation of such financial instruments as at 31st March, 2020. Our audit procedures focused on the integrity of the valuation models and the incorporation of the contract terms and the key assumptions, including future price assumptions and discount rates; and • Obtaining an understanding of key financial instrument contract terms to assess the appropriateness of accounting reflected in the financial report. We have also assessed the appropriateness of the disclosures included in Note 31 to the Standalone Financial Statements.

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

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

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

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

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

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("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 Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the 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.

Other Matters

On account of the COVID-19 related lock-down restrictions, we were not able to physically observe the verification of inventory that was carried out by the Management. Consequently, we have performed alternate procedures to audit the existence of Inventory as per the guidance provided by in SA 501 "Audit Evidence – Specific Considerations for Selected Items" and have obtained sufficient audit evidence to issue our unmodified opinion on these Standalone Financial Statements.

Our opinion on the Standalone Financial Statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

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

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

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

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

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

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

e) On the basis of the written representations received from the directors as on 31st March, 2020, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020, 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 34 to the financial statements

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

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.For TUKARAM & CO LLP.

For TUKARAM & CO LLP.
Chartered Accountants
ICAI Firm Regn. 004436S

(B. LOKANATH)
PARTNER
Membership No.024927
UDIN: 20024927AAAAAE2700

Place: Hyderabad
Date : 27th June, 2020

'Annexure–A' to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March, 2020, we report that:

Re: Avanti Feeds Limited ('the Company')

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

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

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

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

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

iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act.

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

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

vi. 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 in respect of production activities of the Company and are of the opinion that prima facie, the prescribed accounts and records have been maintained. We have however, not made a detailed examination of the records with a view to determine whether they are accurate or complete.

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

(b) According to the information and explanations given to us, the details of dues of value added tax and duty of customs on account of any dispute are given below:

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

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

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

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

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

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

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

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

For TUKARAM & CO LLP.
Chartered Accountants
ICAI Firm Regn. 004436S

(B. LOKANATH)
PARTNER
Membership No.024927
UDIN: 20024927AAAAAE2700

Place: Hyderabad
Date : 27th June, 2020

'Annexure-B' to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of **Avanti Feeds Limited** ("the Company") as of 31st March, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For TUKARAM & CO LLP.
Chartered Accountants
ICAI Firm Regn. 004436S

(B. LOKANATH)
PARTNER
Membership No.024927
UDIN: 20024927AAAAAE2700

Place: Hyderabad
Date : 27th June, 2020

Balance Sheet as at 31st March, 2020

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

	Note	As at 31st March, 2020	As at 31st March, 2019
ASSETS			
Non-current Assets			
Property, plant, and equipment	3	14,573.47	15,585.40
Capital work-in-progress	3	2,335.20	792.44
Intangible assets	4	14.26	17.96
Right of use Assets	5(a)	31.37	-
Financial assets			
Investments	6	11,622.46	17,949.58
Loans	7(a)	67.63	91.86
Other financial assets	8	517.10	469.54
Non-current tax assets (net)	21(b)	1,140.87	1,819.91
Other non-current assets	9 (a)	71.22	263.60
Total Non-current Assets		**30,373.58**	**36,990.29**
Current Assets			
Inventories	10	37,036.25	22,483.05
Financial assets			
Investments	6	54,538.73	51,898.10
Trade receivables	11	3,172.94	1,609.41
Cash and cash equivalents	12	646.67	1,205.94
Other bank balances	13	18,219.39	12,864.39
Loans	7(b)	107.15	88.27
Other current assets	9(b)	1,203.82	558.02
Total Current Assets		**1,14,924.95**	**90,707.18**
Total Assets		**1,45,298.53**	**1,27,697.47**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	1,362.46	1,362.46
Other equity	15	1,18,594.17	1,04,865.95
Total Equity		**1,19,956.63**	**1,06,228.41**
Liabilities			
Non-current Liabilities			
Financial liabilities			
Lease Liabilities	5(b)(i)	16.42	-
Other financial liabilities	16(a)	374.50	374.50
Provisions	17(a)	85.58	104.76
Deferred tax liabilities (net)	21(a)	1,825.39	2,107.02
Total non-current liabilities		**2,301.89**	**2,586.28**
Current liabilities			
Financial liabilities			
Borrowings	19	-	-
Trade payables:			
i) Total outstanding dues of Micro enterprises and small enterprises	20	638.54	787.26
ii) Total outstanding dues of creditors other than Micro enterprises and small enterprises	20	19,110.22	15,134.52
Lease Liabilities	5(b)(ii)	12.51	-
Other financial liabilities	16(b)	279.88	199.30
Other current liabilities	18	2,775.04	2,644.02
Provisions	17(b)	223.82	117.68
Total Current Liabilities		**23,040.01**	**18,882.78**
Notes forming part of the Financial Statements	1-44		
Total Equity and Liabilities		**1,45,298.53**	**1,27,697.47**

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

(B. LOKANATH)
Partner
Membership No. 024927

Place : Hyderabad
Date : 27th June, 2020

For and on behalf of the Board of Directors
A. Indra Kumar
Chairman & Managing Director

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

N. Ram Prasad
Director

Statement of Profit & Loss for the year ended 31st March, 2020

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

	Note	For the Year Ended 31st March, 2020	For the Year Ended 31st March, 2019
Income			
Revenue from operations	22	3,16,257.16	2,73,842.34
Other Income (net)	23	6,061.81	4,459.15
Total Income		**3,22,318.97**	**2,78,301.49**
Expenses			
Cost of materials consumed	24	2,60,384.01	2,22,068.34
Changes in inventories of Finished Goods & Work In Progress	25	(1,585.67)	1,280.32
Employee benefits expense	26	9,339.93	8,283.55
Finance costs	27	121.23	124.58
Depreciation and amortisation expense	28	2,098.56	2,028.31
Other expenses	29	14,323.42	11,467.45
Total expenses		**2,84,681.48**	**2,45,252.55**
Profit before exceptional items & tax		**37,637.49**	**33,048.94**
Exceptional Items	30	-	518.26
Profit before tax		**37,637.49**	**33,567.20**
Tax Expense			
Current tax	21(c)	9,321.45	10,983.74
Deferred tax	21(c)	(281.63)	233.98
Total tax expenses		**9,039.82**	**11,217.72**
Profit for the year		**28,597.67**	**22,349.48**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of the defined benefit plans		(84.44)	(54.72)
Total comprehensive income for the period (Comprising Profit/ (Loss) and other Comprehensive Income for the period)		**28,513.23**	**22,294.76**
Earnings per equity share (EPS)	38		
(Equity shares, par value of ₹ 1/- each)			
Basic and diluted EPS (in ₹)			
Basic		20.99	16.40
Diluted		20.99	16.40

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

(B. LOKANATH)
Partner
Membership No. 024927

Place : Hyderabad
Date : 27th June, 2020

For and on behalf of the Board of Directors
A. Indra Kumar
Chairman & Managing Director

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

N. Ram Prasad
Director

Statement of Changes in Equity for the year ended 31st March, 2020

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

a. Equity Share Capital

Particulars	Number of Shares	Amount
Balance at 1st April, 2018	45,415,210	908.30
Changes in equity share capital during the year	90,830,420	454.16
Balance at 31st March, 2019	136,245,630	1,362.46
Changes in equity share capital during the year	-	-
Balance at 31st March, 2020	136,245,630	1,362.46

b. Other Equity

Particulars	Reserves and Surplus			
	General Reserve	Securities Premium	Retained Earnings	Total
Balance at 1st April, 2018	13,081.87	438.00	79,360.55	92,880.42
Profit for the year			22,349.48	22,349.48
Utilised for Bonus	(16.15)	(438.00)	-	(454.15)
Other comprehensive income			(54.72)	(54.72)
Dividends (including corporate dividend tax)			(9,855.07)	(9,855.07)
Transfer from retained earnings to general reserve	2,000.00		(2,000.00)	-
Balance at 31st March, 2019	15,065.72	-	89,800.23	104,865.95
Profit for the year			28,597.67	28,597.67
Other comprehensive income			(84.44)	(84.44)
Adjustment on adoption of INDAS 116			(2.39)	(2.39)
Dividends (including corporate dividend tax)			(14,782.62)	(14,782.62)
Transfer from retained earnings to general reserve	2500.00		(2,500.00)	-
Balance at 31st March, 2020	17,565.72	-	101,028.45	118,594.17

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

(B. LOKANATH)
Partner
Membership No. 024927

Place : Hyderabad
Date : 27th June, 2020

For and on behalf of the Board of Directors
A. Indra Kumar
Chairman & Managing Director

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

N. Ram Prasad
Director

Statement of Cash Flows for the year ended 31st March, 2020

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

Particulars	For the Year Ended 31st March, 2020	For the Year Ended 31st March, 2019
A. CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES		
Profit before tax	37,637.49	33,567.20
Adjustments for :		
Depreciation and amortisation expense	2,098.56	2,028.31
Finance costs	121.23	124.58
Loss on sale of property, plant and equipment	189.00	29.01
Interest income	(969.88)	(519.03)
Dividend income	(2,224.09)	(1,492.18)
Gain / loss from sale of financial assets measured at fair value through profit and loss	(921.66)	(1,686.20)
Fair valuation of financial assets measured at fair value through profit and loss	(1,522.94)	(537.24)
Provision for employee benefits	309.40	222.44
Exchange differences	(52.07)	295.00
Operating profit before working capital changes	34,665.04	32,031.89
Adjustments for (increase) / decrease in operating assets:		
Trade receivables	(1,563.53)	303.90
Other financial assets	(693.37)	265.44
Inventories	(14,553.20)	16,309.79
Other bank balances	(5,286.25)	(12,050.08)
Other assets	197.73	(158.09)
Trade payables	3,827.39	(11,323.55)
Other financial liabilities	80.58	69.36
Other current liabilities	(175.86)	(820.72)
Cash generated from operations	16,498.54	24,627.94
Income taxes paid, net	(8,642.41)	(12,183.27)
Net cash from operating activities (A)	7,856.13	12,444.67
B. CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES		
Capital expenditure on Property plant and equipment, including capital advances	(2,812.98)	(1,378.13)
Proceeds from sale of fixed assets	3.12	69.68
Change in Investments	6,131.09	(2,197.09)
Interest received	969.88	519.03
Dividend income received	2,224.09	1,492.18
Net cash from / (used in) investing activities (B)	6,515.20	(1,494.33)

Statement of Cash Flows for the year ended 31st March, 2020

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

C. CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES		
Finance costs	(118.95)	(124.58)
Repayment of lease liabilities	(12.37)	-
Dividends paid	(14,851.37)	(9,905.41)
Exchange differences	52.07	(295.00)
Net cash from / (used in) financing activities (C)	(14,930.62)	(10,324.99)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	(559.27)	625.35
Cash and cash equivalents at the beginning of the year	1,205.94	580.59
Cash and cash equivalents at the end of the year (Refer Note (i) below)	646.67	1,205.94
Note (i):		
Cash in hand	12.99	10.13
Balances with Banks	633.68	1,195.81
	646.67	1,205.94

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.

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

(B. LOKANATH)
Partner
Membership No. 024927

Place : Hyderabad
Date : 27th June, 2020

For and on behalf of the Board of Directors
A. Indra Kumar
Chairman & Managing Director

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

N. Ram Prasad
Director

Notes forming part of the Financial Statements

1. Corporate Information

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

The financial statements are approved for issue by the Company's Board of Directors on 27th June, 2020.

2. Basis of Preparation of Financial Statements and Significant Accounting Policies

2.1 Basis of Preparation and Measurement

(i) Basis of Preparation

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

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

(ii) Basis of Measurement

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

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

2.2 Measurement of Fair Values

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

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

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

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

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

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

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

2.3 Use of Estimates and Judgements

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

Notes forming part of the Financial Statements

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 43
- Useful life of fixed assets, refer note 2.4 (n)

2.4 Significant Accounting Policies

a. Segment Reporting

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

The Chairman and Managing Director (CMD) of the Company has been identified as the chief operating decision maker. Refer Note 41 for the segment information presented.

b. Foreign Currency Translation

(i) Functional and Presentation Currency

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

(ii) Transactions and Translations

Foreign-currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and 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 company uses expected cost plus margin approach in estimating the stand-alone selling price.

Revenue is recognised 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.

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.

Notes forming part of the Financial Statements

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 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.

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.

Notes forming part of the Financial Statements

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

Effective April 01, 2019, the Company adopted Ind AS 116, Leases and applied the standard to all lease contracts existing on April 01, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the ROU asset at 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 date of initial application. Comparatives as at and for the year ended March 31, 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 year ended March 31, 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

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

i. Trade Receivables

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

j. Inventories

Inventories are valued at lower of cost and net realizable value. Cost of raw materials, components and stores and spares is determined on a weighted average basis.

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

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

k. 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.

Notes forming part of the Financial Statements

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

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

(ii) Measurement

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

Debt Instruments

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

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

Equity Instruments

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

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/(losses) in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iii) Impairment of Financial Assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a

Notes forming part of the Financial Statements

significant increase in credit risk. Note 32 details how the Company determines whether there has been a significant increase in credit risk.

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

(iv) Derecognition of Financial Assets

A financial asset is derecognised only when

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

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

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

(v) Income Recognition

Interest income:

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

Dividends:

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

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 lifes 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

Notes forming part of the Financial Statements

expert which are higher than those specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets. The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis. Assets costing individually rupee equivalent of INR 5,000 or less are fully charged off on purchase. Depreciation for assets purchased / sold during the period is proportionately charged.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains or losses arising from disposal of 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.

(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.

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.

Notes forming part of the Financial Statements

s. Provisions

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

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

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

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 upto the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other Long-Term Employee Benefit Obligations

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

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

(iii) Post-employment Obligations

The Company operates the following post-employment schemes:

(a) defined benefit plans such as gratuity; and

(b) defined contribution plans such as Provident fund, Employee State Insurance and Superannuation fund

Gratuity Obligations

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

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

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

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

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

Defined Contribution Plans

The Company pays provident fund contributions to publicly administered Provident funds and Employee State Insurance funds as per local

Notes forming part of the Financial Statements

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 the 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. There is no such notification which would have been applicable from 1st April, 2020.

3. Property, Plant and Equipment and Capital Work-in-Progress

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

	Land - Free Hold	Build-ings	Roads	Plant & Machinery	Wind Mills	Electri-cal In-stallation	Lab Equip-ments	Office Equip-ment	Com-puters	Fur-niture and Fixtures	Motor Vehicles	Total Tangible Assets	Capital Work-In-Progress
As at 31st March, 2018	**1,855.62**	**3,328.53**	**230.33**	**10,314.77**	**649.31**	**1,995.73**	**274.26**	**118.45**	**102.72**	**121.82**	**716.11**	**19,707.65**	**12.58**
Additions	63.88	-	-	134.28	-	11.21	27.93	51.18	23.41	23.64	247.39	582.92	779.86
Disposals	12.74	4.00	-	6.54	-	1.42	0.74	0.70	2.21	0.02	117.79	146.16	-
As at 31st March, 2019	**1,906.76**	**3,324.53**	**230.33**	**10,442.50**	**649.31**	**2,005.52**	**301.45**	**168.93**	**123.92**	**145.44**	**845.71**	**20,144.41**	**792.44**
Additions	250.78	-	-	533.45	-	30.24	40.60	35.96	38.77	4.07	330.85	1,264.72	1,795.51
Disposals	-	-	-	319.98	-	0.60	1.51	3.33	2.72	0.04	6.04	334.22	252.75
As at 31st March, 2020	**2,157.54**	**3,324.53**	**230.33**	**10,655.97**	**649.31**	**2,035.16**	**340.54**	**201.56**	**159.97**	**149.47**	**1,170.52**	**21,074.91**	**2,335.20**
Depreciation													
Upto 31st March, 2018	**-**	**189.94**	**45.08**	**1,639.67**	**108.24**	**290.98**	**49.30**	**43.18**	**31.60**	**29.20**	**154.64**	**2,581.83**	**-**
Charge for the year	-	108.30	28.38	1,403.89	54.12	222.37	32.55	25.87	34.57	15.22	99.82	2,025.09	-
Disposals	-	0.43	-	2.20	-	0.51	0.34	0.66	2.11	0.02	41.20	47.47	-
Upto 31st March, 2019	**-**	**297.81**	**73.46**	**3,041.35**	**162.36**	**512.84**	**81.51**	**68.39**	**64.06**	**44.40**	**213.26**	**4,559.44**	**-**
Charge for the year	-	108.15	28.44	1,427.25	54.12	224.35	34.46	36.06	36.77	17.50	117.00	2,084.10	-
Disposals	-	-	-	134.65	-	0.42	0.94	1.72	2.55	0.04	1.78	142.10	-
Upto 31st March, 2020	**-**	**405.96**	**101.90**	**4,333.95**	**216.48**	**736.77**	**115.03**	**102.73**	**98.28**	**61.86**	**328.48**	**6,501.44**	**-**
Net block													
As at 31st March, 2019	**1,906.76**	**3,026.71**	**156.87**	**7,401.16**	**486.95**	**1,492.68**	**219.94**	**100.54**	**59.86**	**101.04**	**632.45**	**15,585.40**	**792.44**
As at 31st March, 2020	**2,157.54**	**2,918.57**	**128.43**	**6,322.02**	**432.83**	**1,298.39**	**225.51**	**98.83**	**61.69**	**87.61**	**842.04**	**14,573.47**	**2,335.20**

Notes:

i) Refer to note 19 for information on property, plant and equipment pledged as security by the Company.

ii) Refer to note 37 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Notes to Financial Statements for the year ended 31st March, 2020

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

4. Intangible Assets

Description of Assets	Computer Software
Gross carrying amount as at 31st March, 2018	**10.43**
Additions	**15.34**
Disposals	-
Gross carrying amount as at 31st March, 2019	**25.77**
Additions	-
Disposals	-
Gross carrying amount as at 31st March, 2020	**25.77**
Balance as at 31st March, 2018	**4.59**
Amortisation expense for the year	**3.22**
Disposals	-
Balance as at 31st March, 2019	**7.81**
Amortisation expense for the year	**3.70**
Disposals	-
Balance as at 31st March, 2020	**11.51**
Net Block	
Balance as at 31st March, 2019	**17.96**
Balance as at 31st March, 2020	**14.26**

5. Right of use Asset

(a) Lease liabilities as at 31st March, 2020

Particulars	Category of ROU Asset	Total
	Buildings	
Balance as at 1st April, 2019	24.78	24.78
Additions	17.35	17.35
Deletion	-	-
Depreciation	10.76	10.76
Balance as at 31st March, 2020	31.37	31.37

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

(b) Lease liabilities as at 31st March, 2020

Particulars	As at 31st March, 2020
i) Non-Current	16.42
ii) Current	12.51
Total	**28.93**

Notes to Financial Statements for the year ended 31st March, 2020

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

The movement in lease liabilities during the year ended 31st March, 2020 is as follows:

Particulars	Amount
Balance as at 1st April, 2019	27.17
Additions	11.85
Finance cost accrued during the year	2.28
Deletions	-
Payment of lease liabilities	12.37
Balance as at 31st March, 2020	28.93

Rental expenses recorded on short-term leases was ₹ 190.02 Lakhs

The details of the contractual maturities of lease liabilities as at 31st March, 2020 on an undiscounted basis are as follows:

Particulars	Amount
Less than one year	14.37
One year to three years	14.17
More than three years	2.05
Total	**30.59**

6. Investments

Particulars	As at 31st March, 2020	As at 31st March, 2019
a) Non-Current investments (Refer note i below)		
Investments carried at cost		
(i) Equity instruments of subsidiaries (unquoted)	**8,461.00**	8,461.00
(ii) Equity instruments of associated companies (unquoted)	**2,735.06**	2,735.06
(iii) Equity instruments of other entities (unquoted)	**425.13**	109.18
Investment carried at fair value through profit and loss		
(i) Equity instruments of other entities (quoted)	**1.27**	2.81
(ii) Investments in Non Convertible Debentures (quoted)	**-**	6,641.53
Total	**11,622.46**	**17,949.58**
b) Current investments (Refer note ii below)		
Investment carried at fair value through profit and loss		
(i) Investments in Mutual Funds	**37,336.22**	47,167.71
(ii) Investments in Non Convertible Debentures (quoted)	**17,202.51**	-
Investment carried at amortised cost		
(i) Investments in Secured Bonds - quoted		
LIC Housing Finance Ltd 2019 (secured) bonds	**-**	2,609.27
(ii) Investments in Non Convertible Debentures - quoted		
HDFC Ltd SR-M 015 9.45 NCD	**-**	2,121.12
Total	**54,538.73**	**51,898.10**
(Note i): Details of non-current investments		
Equity instruments of subsidiaries (unquoted)		
SVIMSAN Exports & Imports Private Limited		

Notes to Financial statements for the year ended 31st March, 2020

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

Particulars	As at 31st March, 2020	As at 31st March, 2019
10,00,000 (31st March, 2019: 10,00,000) equity shares of ₹ 10/- each fully paid up	-	100.00
Less: Provision for diminution in the value of investment (refer note 38)	-	(100.00)
Avanti Frozen Foods Private Limited		
60,10,000 (31st March, 2019 : 60,10,000) equity shares of ₹ 10/- each fully paid up)	**8,461.00**	8,461.00
Total (A)	**8,461.00**	**8,461.00**
Equity instruments of associate companies (unquoted)		
Srivathsa Power Projects Limited		
1,66,93,630 (31st March, 2019: 1,66,93,630) equity shares of ₹ 10/- each fully paid up	**1,670.54**	1,670.54
Patikari Power Private Limited*		
1,06,45,200 (31st March, 2019: 1,06,45,200) equity shares of ₹ 10/- each fully paid up	**1,064.52**	1,064.52
Total (B)	**2,735.06**	**2,735.06**
Equity instruments of other entities (quoted)		
IDBI Bank Limited		
2,880 (31st March, 2019: 2,880) equity shares of ₹.10/- each fully paid up	**0.56**	1.34
UCO Bank Limited		
7,800 (31st March, 2019: 7,800) equity shares of ₹ 10/- each fully paid up	**0.71**	1.47
Total (C)	**1.27**	**2.81**
Equity instruments of other entities (unquoted)		
Bhimavaram Hospitals Limited		
1,20,000 (31st March, 2019: 1,20,000) equity shares of ₹ 10/- each fully paid up	**12.00**	12.00
PT Thai Union Kharisma Lestari		
8,33,000 (31st March, 2019: 199920) equity shares of IDR 10,000/- each fully paid up	**413.13**	97.18
Total (D)	**425.13**	**109.18**
Investments in Non Convertable Debentures (quoted)		
HDB Financial Services Ltd Sr A/O(MI)/1 Br NCD	-	1,011.40
Tata Capital Financial Services Ltd Sr Tr A 2018-19 Tr I BR NCD	-	2,523.19
Mahindra and Mahindra Financial Services Ltd As2018 BR NCD	-	3,106.94
Total (E)	-	**6,641.53**
Total (A+B+C+D+E)	**11,622.46**	**17,949.58**
Aggregate amount of quoted investments and market value thereof	**1.27**	6,644.34
Aggregate amount of unquoted investments	**11,621.19**	11,405.24
Aggregate amount of impairment in the value of investments in unquoted equity shares	-	100.00

Notes to Financial statements for the year ended 31st March, 2020

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

Particulars	As at 31st March, 2020	As at 31st March, 2019
(Note:ii) Current investments		
Investment in mutual funds		
HDFC Floating Rate debt Fund - Regular plan - Growth - 51,52,012.143 units of ₹ 35.1126 each (31st March, 2019: 51,52,012.143 units of ₹ 32.5031 each)	**1,809.01**	1,674.56
Birla Sunlife Savings Fund - Growth Regular Plan - NIL (31st March, 2019: 1,486.60 units of ₹ 368.9824 each)	**-**	5.49
Franklin Ultra Short Bond Fund - SIP - Growth - 2,16,36,685.433 units of ₹ 27.5057 each (31st March, 2019: 2,16,36,685.433 units of ₹ 26.2888 each)	**5,951.32**	5,683.70
Franklin Ultra Short Bond Fund - SIP - Segregated Portfolio -1 Growth - 2,16,36,685.433 units of ₹ Nil each (31st March, 2019: NIL) - Refer Note below	**-**	-
IDFC Low duration Fund - Growth Regular plam - 63,05,779.878 units of ₹ 28.5671 each (31st March, 2019: 63,05,779.878 units of ₹ 26.4976 each)	**1,801.38**	1,670.86
Kotak Low Duration Fund - Standard growth Regular Plan - 2,19,345.131 units of ₹ 2,464.3644 each (31st March, 2019: 3,43,284.732 units of ₹ 2,286.4203 each)	**5,405.46**	7,849.05
IDFC Arbitrage Fund-Monthly Dividend (R.P.) - Nil (31st March, 2019: 2,84,65,906.623 units of ₹ 12.7372 each)	**-**	3,625.76
Kotak Equity Arbitrage Fund - Regular (DRI) - NIL (31st March, 2019: 2,07,54,414.483 units of ₹ 23.0666 each)	**-**	4,787.34
Reliance Arbitrage Advantage Fund - Regular (DIR) - NIL (31st March, 2019: 8,62,16,525.637 units of ₹ 10.6263 each)	**-**	9,161.63
Nippon India Liquid Fund - NIL (31st March 2019: 47,688.022 units of ₹ 4,539.2103 each)	**-**	2,163.75
SBI Magnum Low Duration Fund - NIL (31st March, 2019: 2,43,093.077 units of ₹ 1,010.54 each)	**-**	2,456.56
SBI Magnum Ultra Short Duration Fund Directly daily dividend- 60,298.571 units of ₹ 1,675.03 each (31st March, 2019: 482917.040 units of ₹ 1,675.03 each)	**1,010.02**	8,089.01
IDFC Arbitrage Fund Monthly Dividend - Direct Plan - 6,83,71,856.645 units of ₹ 13.2292 each (31st March, 2019 - NIL)	**9,045.05**	-
Axis Banking & PSU Debt Fund - Direct Plan - Growth - 1,05,755.214 units of ₹ 1,940.9982 each (31st March, 2019 - NIL)	**2,052.71**	-
IDFC Banking & PSU Debt Fund - Direct Plan - Growth - 114,92,553.156 units of ₹ 17.9641 each (31st March, 2019 - NIL)	**2,064.53**	-
Nippon India Arbitrage Fund - Direct Monthly Dividend Plan - 7,35,74,695.526 units of ₹ 11.1407 each (31st March, 2019 - NIL)	**8,196.74**	
	37,336.22	**47,167.71**
Investments in Non Convertible Debentures (quoted) - Current		
HDB Financial Services Ltd Sr A/O(MI)/1 Br NCD	**1,097.09**	-
HDFC LTD SR-T-001 7.9 NCD	**2,499.14**	-
Tata Capital Financial Services Ltd Sr Tr A 2018-19 Tr I BR NCD	**5,466.77**	-
Mahindra And Mahindra Financial Services Ltd As2018 BR NCD	**5,507.52**	-
Fulltron India Credit Company Limited	**2,631.99**	-
	17,202.51	-

Notes to Financial Statements for the year ended 31st March, 2020

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

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

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

7. Loans

	As at 31st March, 2020	As at 31st March, 2019
a) Non-Current		
Unsecured, considered good		
Loans to employees	**67.63**	91.86
	67.63	**91.86**
b) Current		
Unsecured, considered good		
Loans to employees	**107.15**	88.27
Unsecured, considered doubtful		
Loans to wholly owned subsidiary	**-**	91.84
Less: Allowance for doubtful loans	**-**	(91.84)
	107.15	**88.27**

8. Other Financial Assets

	As at 31st March, 2020	As at 31st March, 2019
Non-Current		
Unsecured, considered good		
Margin Money Accounts*	**15.55**	1.50
Security deposits	**501.55**	468.04
	517.10	**469.54**

*Margin Money deposits with bank of a carrying amount of ₹ 15.55 Lakhs (31st March, 2019: ₹ 1.50 Lakhs) are lien marked for import L.C.s.

9. Other Assets

	As at 31st March, 2020	As at 31st March, 2019
a) Non Current		
Unsecured, considered good		
Capital Advances	**68.28**	142.59
Taxes paid under protest	**2.94**	121.01
	71.22	**263.60**
b) Current		
Unsecured, considered good		
Prepaid expenses	**182.51**	186.63

Notes to Financial Statements for the year ended 31st March, 2020

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

	As at 31st March, 2020	As at 31st March, 2019
Advance for expenses	**34.91**	38.05
Export Incentives Receivables	**28.95**	5.03
MEIS Licenses on hand	**456.21**	79.32
Advance to supplier	**473.49**	215.89
Interest accrued on electricity deposits	**21.82**	23.59
Share application money pending for allotment	**5.93**	9.51
	1,203.82	**558.02**

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

	As at 31st March, 2020	As at 31st March, 2019
Raw materials (includes goods in transit)		
- in godown	**28,809.89**	16,159.71
- in goods in transit	**672.46**	212.91
Packing materials	**582.87**	537.92
Work-in-progress	**586.52**	515.12
Finished goods	**4,730.08**	3,215.80
Stores and spares	**1,654.43**	1,841.59
	37,036.25	**22,483.05**

11. Trade Receivables

	As at 31st March, 2020	As at 31st March, 2019
Secured, considered good	**2,336.50**	1,141.10
Unsecured, considered good	**836.44**	468.31
	3,172.94	**1,609.41**

12. Cash and Cash Equivalents

	As at 31st March, 2020	As at 31st March, 2019
Balances with banks:		
- in current accounts	**633.68**	1,195.81
Cash in hand	**12.99**	10.13
	646.67	**1,205.94**

13. Other Bank Balances

	As at 31st March, 2020	As at 31st March, 2019
- Deposit Accounts	**17,383.51**	12,114.23
- Unpaid dividend accounts	**249.03**	180.28
- Margin money accounts *	**586.85**	569.88
	18,219.39	**12,864.39**

***Margin money deposits given as security**

Margin Money deposits with bank of a carrying amount of ₹ 586.85 Lakhs (March 31, 2019: 569.88 Lakhs) are lien marked for import L.C.s and for issuance of SBLC for Anti Dumping Duty purpose to US Customs Authorities.

Notes to Financial Statements for the year ended 31st March, 2020

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

14. Equity share capital

	As at 31st March, 2020	As at 31st March, 2019
Authorised share capital		
15,85,00,000 equity shares of ₹ 1/- each (31st March, 2019: 15,85,00,000 equity shares of ₹ 1/- each)	**1,585.00**	1,585.00
Issued, subscribed and fully paid up capital		
13,62,45,630 equity shares of ₹ 1/- each (31st March, 2019: 13,62,45,630 equity shares of ₹ 1/- each)	**1,362.46**	1,362.46
Total	**1,362.46**	**1,362.46**

Notes:

(a) Reconciliation of the number of shares outstanding

	Number of Shares	Amount
Balance at 1st April, 2018	45,415,210	908.30
Shares issued during the year	90,830,420	454.16
Balance at 31st March, 2019	**136,245,630**	**1,362.46**
Shares issued during the year	-	-
Balance at 31st March, 2020	**136,245,630**	**1,362.46**

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

Name of the Shareholder	As at 31st March, 2020		As at 31st March, 2019	
	Number of Shares Held	% Holding of Equity Shares	Number of Shares Held	% Holding of Equity Shares
Equity shares of ₹ 1/- each fully paid up (31st March, 2019: ₹ 1/- each)				
1. Srinivasa Cystine Private Limited	36,299,115	26.64	36,299,115	26.64
2. Thai Union Group Public Company Limited	21,030,630	15.44	21,030,630	15.44
3. Thai Union Asia Investment Holding Limited	11,954,826	8.77	11,954,826	8.77
4. Alluri Indra Kumar	8,330,700	6.11	8,330,700	6.11
5. Alluri Indra Kumar (HUF)	8,189,250	6.01	8,189,250	6.01

As per records of the Company, including its register of shareholders / members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownerships of shares.

(c) Rights Attached to Equity Shares

The Company has only one class of equity shares having par value of ₹ 1/- per share (31st March, 2019: ₹ 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.

Notes to Financial Statements for the year ended 31st March, 2020

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

(d) Equity shares movement during the 5 years preceding 31st March, 2020 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 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 14.06.2018.

15. Other equity

	As at 31st March, 2020	As at 31st March, 2019
General reserve	**17,565.72**	15,065.72
Retained earnings	**101,028.45**	89,800.23
Total Other Equity	**118,594.17**	**104,865.95**
General Reserve		
Balance at beginning of year	**15,065.72**	13,081.87
Less: Utilised for Bonus	**-**	(16.15)
Transferred from Surplus in Statement of Profit and Loss	**2,500.00**	2,000.00
Balance at end of year	**17,565.72**	**15,065.72**
Retained earnings		
Balance at beginning of year	**89,800.23**	79,360.55
Adjustment on adoption of INDAS 116	**(2.39)**	-
Profit attributable to owners of the Company	**28,597.67**	22,349.48
Other comprehensive income	**(84.44)**	(54.72)
Transfer to general reserve	**(2,500.00)**	(2,000.00)
Dividend (including dividend distribution tax)	**(14,782.62)**	(9,855.07)
Balance at end of year	**101,028.45**	**89,800.23**

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.

16. Other Financial Liabilities

	As at 31st March, 2020	As at 31st March, 2019
a) Non-Current		
Security deposits*	**374.50**	374.50
Total	**374.50**	**374.50**
b) Current		
Unpaid dividend	**249.03**	180.28
Creditors for capital works	**30.85**	8.90
Derivative financial liabilities	**-**	10.12
Total	**279.88**	**199.30**

*Security Deposits taken from dealers for supplying them shrimp feed on credit term. These deposits carry an interest of @ 9% per annum (31st March, 2019: 9% p.a.)

Notes to Financial Statements for the year ended 31st March, 2020

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

17. Provisions

	As at 31st March, 2020	As at 31st March, 2019
Provisions (refer note 39)		
Provision for gratuity	**185.92**	142.55
Provision for leave encashment	**123.48**	79.89
	309.40	222.44
a) Non-Current portion	**85.58**	104.76
b) Current portion	**223.82**	117.68
Total	**309.40**	**222.44**

18. Other Liabilities

	As at 31st March, 2020	As at 31st March, 2019
Current		
Advance from customers	**2,633.32**	2,503.11
Statutory dues	**141.72**	140.91
Total	**2,775.04**	**2,644.02**

19. Current Borrowings

	As at 31st March, 2020	As at 31st March, 2019
Current borrowings		
Secured		
Working capital loan from State Bank of India	**-**	-
Working capital loan from Rabobank	**-**	-
Total	**-**	**-**

The working capital limits, sanctioned by State Bank of India (SBI) and RaboBank as at 31st March, 2020, are ₹ 3,000.00 Lakhs and ₹ 2,000.00 Lakhs, respectively (31st March, 2019: ₹ 5,500.00 Lakhs and ₹ 2,000.00 Lakhs, respectively).

The loan from SBI is secured by first charge on all current assets, Collateral First charge on fixed assets of the company and personal guarantee of Sri A. Indra Kumar, Chairman and Managing Director of the Company. The loan is repayable on demand and carries interest @ 8.30% p.a.

The loan from Rabobank is secured by first charge on all current assets, Collateral First charge on fixed assets of the company. The loan is repayable on demand and carries interest @ 7.50% p.a.

Note: Debit balance in cash credit accounts as at 31st March, 2020 (and 31st March, 2019) have been grouped under the head "Cash and Cash equivalents"

20. Trade payable

	As at 31st March, 2020	As at 31st March, 2019
Dues to micro enterprises and small enterprises (Refer Note below)	**638.54**	787.26
Dues to creditors other than micro enterprises and small enterprises	**19,110.22**	15,134.52
	19,748.76	**15,921.78**

Notes to Financial Statements for the year ended 31st March, 2020

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

Dues to micro and small enterprises

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

	As at 31st March, 2020	As at 31st March, 2019
Principal amount remaining unpaid to any supplier as at the end of the accounting year	**638.54**	786.37
Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	0.89
The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	**0.31**	-
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	-	0.89
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	-	0.89

21. Income Taxes

21(a) Deferred taxes

For the year year ended 31st March, 2020

	Opening Balance	Recognised in Profit Or Loss	Recognised in Other Comprehensive Income	Closing Balance
Deferred tax liabilities / (assets) in relation to				
Depreciation and amortisation	1,257.77	(422.65)	-	835.12
Fair valuation of Investments	852.32	145.18	-	997.50
Fair valuation of derivative instruments	(3.54)	3.54	-	-
Lease Liabilities	-	(7.28)	-	(7.28)
Others	0.47	(0.42)	-	0.05
Total	**2,107.02**	**(281.63)**	**-**	**1,825.39**

For the Year Ended 31st March, 2019

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	1,214.38	43.39	-	1,257.77
Fair valuation of Investments	657.87	194.45	-	852.32
Fair valuation of derivative instruments	-	(3.54)	-	(3.54)
Others	0.79	(0.32)		0.47
Total	**1,873.04**	**233.98**	**-**	**2,107.02**

Notes to Financial Statements for the year ended 31st March, 2020

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

21(b) Non-current Tax Assets

Particulars	As at 31st March, 2020	As at 31st March, 2019
Non-current tax assets (net of provision for tax)	**1,140.87**	1,819.91
Total	**1,140.87**	**1,819.91**

21(c) Tax Expense Recognised in Statement of Profit and Loss

Particulars	For the Year Ended 31st March, 2020	For the Year Ended 31st March, 2019
Current tax		
In respect of the current year	**8,891.24**	11,171.46
In respect of the earlier years	**430.21**	(187.72)
	9,321.45	**10,983.74**
Deferred tax		
In respect of the current year	**(281.63)**	233.98
	(281.63)	**233.98**
Total tax expense	**9,039.82**	**11,217.72**

21(d) Tax Expense Recognised in Other Comprehensive Income

Particulars	For the Year Ended 31st March, 2020	For The Year Ended 31st March, 2019
Deferred tax		
In respect of the current year	-	-
	-	-

21(e) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

Particulars	For the Year Ended 31st March 2020	For the Year Ended 31st March 2019
Profit before tax	**37,553.05**	33,567.20
Income tax expense calculated at 25.168% (2018-2019; 34.944%)	**9,451.35**	11,729.72
Impact of expenses that are not deductible (taxable) in determining taxable profit		
Exempt income	**(559.76)**	(521.43)
Deduction u/s 80IA of Income Tax Act, 1961*	**-**	(27.74)
Interest on Income tax	**4.93**	8.93
Corporate Social Responsibility & Donations	**136.88**	82.51
Earlier taxes	**430.20**	(187.72)
Interest on MSMED	**0.08**	0.31
Opening DTL on impact of rate change	**(589.46)**	18.18
14A disallowance	**107.82**	106.26
Others	**57.78**	8.70
Income tax expense recognised in profit or loss	**9,039.82**	**11,217.72**

The Company has exercised the option u/s 115BAA of the Income tax act, 1961 as per the Taxation Laws (Amendment) Ordinance, 2019 availing the benefit of reduced tax rates. Accordingly, the income tax provision for the year ended 31st March, 2020 and deferred tax liability recognised as per the said ordinance.

Notes to Financial Statements for the year ended 31st March, 2020

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

22. Revenue from Operations

Particulars	For the Year Ended 31st March, 2020	For the Year Ended 31st March, 2019
Sale of Products		
Finished goods - Shrimp Feed - Domestic	**315,459.44**	273,669.38
Finished goods - Shrimp Feed - Exports	**773.51**	167.93
Export Incentives	**24.21**	5.03
Total	**316,257.16**	**273,842.34**

23. Other Income (net)

Particulars	For the Year Ended 31st March, 2020	For the Year Ended 31st March, 2019
Interest income on		
Bank deposits	**760.08**	292.04
Bonds & Debentures	**155.99**	201.98
Others	**53.81**	25.01
Dividend income from investments mandatorily measured at fair value through profit or loss	**2,224.09**	1,492.18
Profit on sale of mutual funds	**921.66**	1,686.20
Exchange differences (net)	**52.07**	-
Other non-operating income	**371.17**	234.62
Fair Value gain / (Loss)on derivative instruments	**-**	(10.12)
Fair value gain/(loss) on financial instruments measured at fair value through profit and loss	**1,522.94**	537.24
Total	**6,061.81**	**4,459.15**

24. Cost of Materials Consumed

Particulars	For the Year Ended 31st March, 2020	For the Year Ended 31st March, 2019
Inventory at the beginning of the year	**16,910.53**	32,212.97
Add: Purchases	**273,538.70**	206,765.90
	290,449.23	**238,978.87**
Less: Inventory at the end of the year	**30,065.22**	**16,910.53**
Cost of materials consumed	**260,384.01**	**222,068.34**

25. Changes in Inventories of Finished Goods and Work-in-Progress

Particulars	For the Year Ended 31st March, 2020	For the Year Ended 31st March, 2019
Closing Stock:		
Finished goods	**4,730.08**	**3,215.80**
Work-in-progress	**586.53**	**515.14**
	5,316.61	**3,730.94**
Opening Stock:		
Finished goods	**3,215.81**	**4,332.60**
Work-in-progress	**515.13**	**678.66**
	3,730.94	**5,011.26**
Net (increase) / decrease	**(1,585.67)**	**1,280.32**

Notes to Financial Statements for the year ended 31st March, 2020

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

26. Employee Benefits Expense

Particulars	For the Year Ended 31st March, 2020	For the Year Ended 31st March, 2019
Salaries, wages and bonus	8,690.36	7,710.15
Contribution to provident and other funds	403.06	363.75
Gratuity expense	101.47	87.82
Staff welfare expenses	145.04	121.83
	9,339.93	8,283.55

27. Finance Costs

Particulars	For the Year Ended 31st March, 2020	For the Year Ended 31st March, 2019
Interest expense		
- Interest on bank overdrafts and loans	18.70	15.64
- Interest on income tax	19.60	25.55
- Interest on Lease Liability	2.28	-
Other borrowing costs	80.65	83.39
Total	121.23	124.58

28. Depreciation and Amortisation Expense

Particulars	For the Year Ended 31st March, 2020	For the Year Ended 31st March, 2019
Depreciation of property, plant and equipment	2,084.10	2,025.09
Depreciation of ROU Assets	10.76	-
Amortisation of intangible assets	3.70	3.22
	2,098.56	2,028.31

29. Other Expenses

Particulars		For the Year Ended 31st March, 2020	For the Year Ended 31st March, 2019
Rent (refer note (i))		190.02	198.39
Power & fuel		4,066.66	3,544.95
Repairs & maintenance			
- Buildings		82.72	187.02
- Plant & machinery		200.38	124.44
- Others		12.71	19.82
Consumable stores		1,179.96	1,346.80
Other manufacturing expenses		2,334.20	1,852.85
Rates & taxes		161.14	168.70
Insurance		151.10	155.96

Notes to Financial Statements for the year ended 31st March, 2020

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

Particulars		For the Year Ended 31st March, 2020	For the Year Ended 31st March, 2019
Electricity charges		**9.95**	**8.59**
Vehicle maintenance		**78.54**	**72.41**
Travelling & conveyance		**603.47**	**533.46**
Communication costs		**40.50**	**56.57**
Printing & stationery		**37.20**	**34.46**
Directors' sitting fees		**39.20**	**22.74**
Auditors Remuneration (refer note (ii))		**34.88**	**35.92**
Professional charges		**145.55**	**149.70**
Corporate Social Responsibility		**1,070.06**	**496.80**
Donations		**186.99**	**17.00**
Bank charges		**58.79**	**48.70**
Assets written off		**187.87**	**6.04**
Investment in SVIMSAN Exports & Imports Pvt. Ltd Written off	100.00		
Less: Reversal of Provision for Impairment in Investments	(100.00)	-	-
Loan of SVIMSAN Exports & Imports Pvt. Ltd. Written off	92.14		
Less: Reversal of provision for bad and doubtful Advances	(92.14)	-	-
Advertisement charges		**9.85**	**15.24**
Carriage outward		**584.40**	**130.49**
Marketing expenses		**1,405.19**	**548.75**
Royalty		**954.04**	**1,049.29**
Loss on sale of Fixed Assets		**1.13**	**22.97**
Exchange Fluctuation (Net)		-	**295.00**
Bad and doubtful debts written off		**17.00**	-
General expenses		**479.92**	**324.39**
Total		**14,323.42**	**11,467.45**

Notes:

i) Operating Leases

Lease payments made under operating leases aggregating to ₹ 190.02 Lakhs (31st March, 2019: ₹ 198.39 Lakhs) have been recognized as an expense in the Statement of Profit and Loss. The future minimum lease commitments under non-cancellable operating leases are Nil.

ii) Auditors' remuneration comprises of:			
As Auditors		**23.60**	23.60
Tax Matters		-	-
Other Services		**6.20**	6.80
Reimbursement of expenses		**5.08**	5.52
Total		**34.88**	**35.92**

Notes to Financial Statements for the year ended 31st March, 2020

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

30. Exceptional Items

Particulars	For the Year Ended 31st March, 2020	For the Year Ended 31st March, 2019
Income:		
Anti Dumping duty	-	**518.70**
	-	**518.70**
Less: Expenditure		
Provision for doubtful loan	-	**0.44**
	-	**0.44**
	-	**518.26**

The exceptional item of ₹ 518.26 Lakhs for the year ended 31st March, 2019 includes refund of differential anti dumping duty of ₹ 518.70 Lakhs paid (net of expenses) on final determination by the Department of Commerce, USA on the exports made by the company during the financial years from 2015-2016 & 2016-2017 and provision for doubtful advance ₹ 0.44 Lakhs given to wholly owned subsidiary SVIMSAN Exports & Imports Private Limited (SEIPL).

31. Fair Value Measurements

Financial Instruments by Category	31st March, 2020		31st March, 2019	
	Amortised Cost	FVPL	Amortised Cost	FVPL
Financial Assets				
Investments				
- in equity instruments				
- Quoted	-	1.27	-	2.81
- Unquoted	11,621.19	-	11,305.24	-
- in mutual funds	-	37,336.22	-	47,167.71
- in Secured Bonds	-	-	2,609.27	-
- Non Convertible debentures	-	17,202.51	2,121.12	6,641.53
Trade receivables	3,172.94	-	1,609.41	-
Cash and cash equivalents	646.67	-	1,205.94	-
Other bank Balances	18,234.94	-	12,865.89	-
Loans	174.78	-	180.13	-
Security deposits	501.55	-	468.04	-
Total Financial Assets	**34,352.07**	**54,540.00**	**32,365.04**	**53,812.05**
Financial Liabilities				
Borrowings	-	-	-	-
Current maturities of long term debt from banks	-	-	-	-
Interest accrued but not due on borrowings	-	-	-	-
Security deposits	374.50		374.50	-
Trade payables	19,748.76	-	15,921.78	-
Derivative financial instrument	-	-	-	10.12
Unpaid dividend	249.03		180.28	
Lease Liabilities	28.93	-	-	-
Capital creditors	30.85	-	8.90	-
Total Financial Liabilities	**20,432.07**	**-**	**16,485.46**	**10.12**

Notes to Financial Statements for the year ended 31st March, 2020

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

(i) Fair value hierarchy

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

With respect to Corporate Guarantees, the management has determined the fair value of such guarantee contracts as 'Nil' as the subsidiary company is not being benefited significantly from such guarantees.

The fair value of quoted equity investments, has been classified as Level 1 in the fair value hierarchy as the fair value has been determined on the basis of market value. The fair value of unquoted equity instruments has been classified as Level 2 in the fair value hierarchy as the fair value has been determined on the basis of discounted cash flows. The fair value of mutual funds is classified as Level 2 in the fair value hierarchy as the fair value has been determined on the basis of Net Assets Value (NAV) declared by the mutual fund. The fair value of Financial derivative contracts has been classified as Level 2 in the fair value hierarchy as the fair value has been determined on the basis of mark-to-market provided by the Bank from which the contract has been entered. The corresponding changes in fair value of investment is disclosed as 'Other Income'.

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

Credit Risk

(i) Credit Risk Management

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

Notes to Financial Statements for the year ended 31st March, 2020

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

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

Notes to Financial statements for the year ended 31st March, 2020

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

Expected credit losses for loans, investments, deposits and other receivables from related parties, excluding trade receivables

Year Ended 31st March, 2020

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	18,234.94	0%	-	18,234.94
	Loans and advances	174.78	0%	-	174.78
	Security deposits	501.55	0%	-	501.55

Year Ended 31st March, 2019

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	12,865.89	0%	-	12,865.89
	Loans and advances	271.97	34%	91.84	180.13
	Security deposits	468.04	0%	-	468.04

Expected credit loss for trade receivables under simplified approach

Year Ended 31st March, 2020

Ageing	Not Due	1-90 Days	91-180 Days	181-365 Days	More than 365 Days	Total
Gross carrying amount	2,744.79	-	270.77	157.38	0	3,172.94
Expected loss rate	0%	0%	0%	0%	0%	
Expected credit loss	-	-	-	-	-	-
Carrying amount of trade receivables (net of impairment)	2,744.79	-	270.77	157.38	-	3,172.94

Year Ended 31st March, 2019

Ageing	Not Due	0-90 Days	91-180 Days	181-365 Days	More than 365 Days	Total
Gross carrying amount	1,574.40	-	25.66	9.35	-	1,609.41
Expected loss rate	0%	0%	0%	0%	0%	
Expected credit loss	-	-	-	-	-	-
Carrying amount of trade receivables (net of impairment)	1,574.40	-	25.66	9.35	-	1,609.41

Notes to Financial Statements for the year ended 31st March, 2020

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

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						
31st March, 2020	Carrying Amount	Total	0-1 Year	1-2 Years	2-5 Years	More than 5 Years
Borrowings	-	-	-	-	-	-
Trade payables	19,748.76	19,748.76	19,748.76	-	-	-
Derivative financial instrument	-	-	-	-	-	-
Capital creditors	30.85	30.85	30.85	-	-	-
Security deposits	374.50	374.50	-	374.50	-	-
	20,154.11	**20,154.11**	**19,779.61**	**374.50**	**-**	**-**

Contractual cash flows						
31st March, 2019	Carrying amount	Total	0-1 year	1-2 years	2-5 years	More than 5 years
Borrowings	-	-	-	-	-	-
Trade payables	15,921.78	15,921.78	15,921.78	-	-	-
Derivative financial instrument	10.12	10.12	10.12	-	-	-
Capital creditors	8.91	8.91	8.91	-	-	-
Security deposits	374.50	374.50	-	374.50	-	-
	16,315.31	**16,315.31**	**15,940.81**	**374.50**	**-**	**-**

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	31st March, 2020	31st March, 2019
Variable rate borrowings	-	-
Total	**-**	**-**

Notes to Financial Statements for the year ended 31st March, 2020

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

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

Particulars	31st March, 2020			31st March, 2019		
	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	
	31st March, 2020	31st March, 2019
Interest rate - Increases by 100 basis points	-	-
Interest rate - Decreases by 100 basis points	-	-

Market Risk - Price risk

The Company's investments in quoted equity securities is very minimal, hence there is limited exposure to price risk.

Foreign Currency Risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, mainly in the nature of sales denominated in foreign currencies and other expenditures. As a policy, the Company does not hedge any of its exposure to foreign currency. The Company's exposure to foreign currency risk at the end of the reporting period are as follows:

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Amount in Foreign Currency	Amount in ₹ (Lakhs)	Amount in Foreign Currency	Amount in ₹ (Lakhs)
Trade and other payables				
USD	141,227.00	106.47	1,945,337.00	1,345.61
Euro	1,000.00	0.83	-	-
Advance to suppliers				
USD	537,514.40	405.21	117,625.00	81.36
Euro	-	-	-	-
Trade Receivables				
USD	84,960.00	61.64	24,413.00	16.89
Euro	-	-	-	-
Balance in EEFC A/c-USD	105.17	0.08	592,960.17	410.16
Derivatives outstanding				
Forward contracts				
To buy USD	-	-	1,259,750.00	882.88
To sell USD	-	-	586,445.00	405.56
Share application money pending allotment				
IDR	128,340,000.00	5.93	195,618,482.00	9.51
Net exposure (Receivable / (Payable))	128,821,352.57	366.39	195,081,448.17	(350.37)
Net exposure in USD	481,352.57	360.46	(537,033.83)	(359.88)

Notes to Financial Statements for the year ended 31st March, 2020

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

Sensitivity

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

Particulars	As at 31st March, 2020	As at March 31, 2019
Increase in USD rate by 1%	3.60	(3.60)
Decrease in USD rate by 1%	(3.60)	3.60

33. Capital Management

(a) Risk Management

The Company's objectives when managing capital are to:

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

> Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Company has been maintaining a steady dividend.

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

The gearing ratios were as follows:

Particulars	As at 31st March, 2020	As at 31st March, 2019
Net debt	-	-
Total equity	119,956.63	106,228.41
Net debt to equity ratio	**0%**	**0%**

(i) Debt Covenants

Under the terms of the major borrowing facilities, the Company is required to comply with the following financial covenants:

(b) Dividends

Particulars	31st March, 2020	31st March, 2019
Equity Shares		
i) Final dividend for the year ended 31st March, 2019 of ₹ 4/- (31st March, 2018 ₹ 6/-) per fully paid share.	5,449.83	8,174.74
ii) Interim dividend for the year ended 31st March, 2020 of ₹ 5/- (31st March, 2019: NIL) per fully paid share.	6,812.28	-
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 final dividend of ₹ 0.10 per fully paid equity share (31st March, 2019 – ₹ 4/-). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	136.25	5,449.83

Notes to Financial Statements for the year ended 31st March, 2020

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

34. Contingent Liabilities

	31st March, 2020	31st March, 2019
Demands raised by customs, service tax, sales tax, income tax and other authorities, being disputed by the Company*	**90.04**	90.04
Corporate guarantee given under a Multiple Banking Arrangement to SBI and Axis Bank in favour of loan taken by Avanti Frozen Foods Private Limited	**15,000.00**	15,000.00

*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
		90.04		

(i) The Company purchased soya bean in the year 2004-05, converted the same in to DOC in 2005-06 and used some part for own consumption in manufacturing of shrimp feed and some part was exported. The resultant soya oil was sold locally. The Commercial Tax Act pertaining to soya bean processing and soya oil sale was amended with effect from 13th December, 2004 and Commercial Tax department took the view that the soya bean purchased prior to 13th December, 2004 will attract tax at old rates and a demand to ₹ 29.22 Lakhs was raised. This is being contested by the Company in the High Court of Madhya Pradesh.

(ii) Company is importing Squid Liver Powder (SLP) which was one of the raw materials for manufacturing of shrimp feed. SLP was imported by the Company under raw material classification. However, Customs has disputed our claim and demanding duty applicable for import of complete feed. Company appealed against the order of Commissioner of Customs (Appeals), Chennai before CESTAT, Chennai.

The Company is contesting the demands and the management, including its tax advisors, believe that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Company's financial position and results of operations.

2) The Company has given corporate guarantee of ₹ 15,000.00 Lakhs as on 31st March, 2020 (₹ 15,000.00 Lakhs as on 31st March, 2019) to State Bank of India, Industrial Finance Branch, Somajiguda, Hyderabad and Axis Bank Limited, Begumpet, Hyderabad for loan facilities availed by Avanti Frozen Foods Private Limited.

35. In November '19 The Income Tax Department., Hyderabad conducted Search / Survey, on the premises of the Company and its subsidiary since then the Dept. has been calling for information / records from time to time which the Company has been submitting. On the basis of preliminary information provided to the Dept., and on the advice of the tax consultants a provision for Income Tax amounting to ₹ 358 Lakhs has been made on estimation basis in the accounts. Actual amount will be determined only on completion of the Assessments.

36. The impact of COVID-19 is not significant on the financial performance of the Company for the quarter ended 31st March, 2020 and the Company opines that assessment of impact of COVID-19 on future is premature since the virus is still aggressive in India, not subsided elsewhere in the world and there is already effect of recession on global economy.

Notes to Financial Statements for the year ended 31st March, 2020

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

37. Commitments

Estimated amount of contracts remaining to be executed to the extent not provided for (net of advances) ₹ 19.89 Lakhs (31st March, 2019: ₹ 207.54 Lakhs).

38. Earnings per share

	31st March, 2020	31st March, 2019
Profit after Tax (PAT)(A)	**28,597.67**	22,349.48
Weighted average number of equity shares for Basic EPS (B)	136,245,630	136,245,630
Basic earnings per share (A/B)	**20.99**	**16.40**

Note:

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

39. Corporate social responsibility expenditure

a) Expenditure related to CSR as per section 135 of companies act, 2013 read with schedule VII thereof, against the mandatory spend of ₹ 809.70 Lakhs (previous year ₹ 757.15 Lakhs)

b) Amount spent during the year on:

Particulars	As at 31st March, 2020	As at 31st March, 2019
1. Construction / acquisition of any Asset	-	-
2. On purposes other than (1) above	**1,070.06**	496.80
Total	**1,070.06**	496.80

40. Removal of the name of the wholly owned subsidiary of the Company "SVIMSAN Exports & Imports Pvt Ltd" u/s 248(2) of the Companies Act, 2013:

SVIMSAN Export & Import Pvt Ltd., ('SVIMSAN') is a wholly owned subsidiary of the Company established in 1998 to carry on the activity of Export & Imports. After carrying on business for about 11 years i.e., till 2009, stopped business activity as the activity found to be not viable and remained non-operative for the past 11 years. The Board has decided to wind up SVIMSAN by extinguishing all the liabilities. Accordingly, the Company has written off the investment of ₹ 100 Lakhs in the equity along with un-secured loan of ₹ 92.14 Lakhs during the year as there is no possibility of recovery of the investment and the un-secured loan. The SVIMSAN has approached ROC for removal of its name from Register of Companies u/s 248(2). All the necessary statutory procedures have been complied with and the removal of name by the ROC from the Register of Company is awaited. Since the process of removal of name by ROC is under progress.

41. Segment Reporting

The Company is predominantly engaged in the business of Shrimp feeds and power generation. The Chairman and Managing Director (CMD) has been identified as the Chief Operating Decision maker (CODM). There is only one segment in the Company which is Shrimp Feed.

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 BESCOM under Power Purchase agreement.

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.

Notes to Financial Statements for the year ended 31st March, 2020

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

Segment Assets and Liabilities

Segment assets include all operating assets used by the business segment and consist principally Fixed Assets, Debtors and Inventories. Segment liabilities primarily include creditors and other liabilities. Assets and Liabilities that cannot be allocated between the segments are shown as a part of unallocated assets and liabilities respectively.

	Shrimp Feed		Wind Mills		Unallocated		Total	
	Year Ended 31st March, 2020	Year Ended 31st March, 2019	Year Ended 31st March, 2020	Year Ended 31st March, 2019	Year Ended 31st March, 2020	Year Ended 31st March, 2019	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Revenue								
External Sales	**316,093.82**	273,706.27	**163.34**	136.07	-	-	**316,257.16**	273,842.34
Inter-segment sales	-	-	-	-	-	-	-	-
Total Revenue	**316,093.82**	**273,706.27**	**163.34**	**136.07**	-	-	**316,257.16**	**273,842.34**
Segment Result								
Operating Profit	**31,658.58**	28,699.37	**38.33**	15.00	-	-	**31,696.91**	28,714.38
Other Income	**428.21**	231.37	**1.80**	9.00	**5,631.80**	4,218.78	**6,061.81**	4,459.15
Interest Expense	**121.23**	124.58	-	-			**121.23**	124.58
Exceptional item	-	-	-	-	-	518.26	-	518.25
Income tax - Current year & previous year	-	-	-	-	**9,321.45**	10,983.74	**9,321.45**	10,983.74
- Deferred Tax	-	-	-	-	**(281.63)**	233.98	**(281.63)**	233.98
Net Profit	**31,965.56**	**28,806.16**	**40.13**	**24.00**	**(3,408.02)**	**(6,480.68)**	**28,597.67**	**22,349.48**
Other Information								
Segment Assets	**82,331.03**	58,412.79	**528.69**	576.41	**62,438.81**	68,708.27	**145,298.53**	127,697.47
Segment Liabilities	**19,563.37**	15,638.86	**31.25**	-	**5,747.28**	5,830.20	**25,341.90**	21,469.06
Capital Employed	**62,767.66**	**42,773.93**	**497.44**	**576.41**	**56,691.53**	**62,878.08**	**119,956.63**	**106,228.41**

42. Related Party Disclosures

1. Names of Related Parties and Related Party Relationship

Related parties where control exists	
Subsidiary Companies	Avanti Frozen Foods Private Limited
Key Managerial Personnel (KMP)	Sri A. Indra Kumar, Chairman and Managing Director
	Sri C. Ramachandra Rao, Joint Managing Director, Company Secretary and CFO
	Sri A. Venkata Sanjeev, Executive Director w.e.f. 8th August, 2019
Relatives of Key Managerial Personnel	Sri A. Nikilesh Chowdary Sri A. Venkata Sanjeev
Associate Companies	Srivathsa Power Projects Limited
	Patikari Power Private Limited
Entities over which KMP has significant influence	SCL Trading Private Limited
	Sanjeev Agro Vet Private Limited
	Sri Sai Srinivasa Agro Farms & Developers Private Limited
	Avanti Foundation-Trust
	A.V.R. Trust
Entities having significant influence over the Company	Srinivasa Cystine Private Limited
	Thai Union Feed Mill Co. Ltd Thailand

Notes to Financial Statements for the year ended 31st March, 2020

(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		Subsidiary		Associated Companies		Entities Over which KMP Has Significant Influence	
	For the Year Ended		For the Year Ended		For the Year Ended		For the Year Ended		For the Year Ended	
	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019
Remuneration	**3,350.70**	2,887.21			-	-			-	-
Rent paid	**2.16**	3.07	**2.55**	2.55	-	-			-	-
Rent Received	**-**	-	**0.48**	0.49	-	-	**1.20**	1.20	**0.07**	-
Contributions towards corporate social responsibility									**708.28**	156.76
Royalty paid	**-**	-	**954.04**	1,049.29	-	-	-	-	**-**	-
Dividend paid	**1,613.28**	1,075.52	**3,266.92**	2,177.95					**381.17**	254.12
Loan given	**-**	-			-	0.44			-	-
Purchase of MEIS & others	**-**	-			**2,993.62**	1,522.13			-	-
Anti Dumping Duty refund					**-**	421.45				
Sale of Goods	**-**	-			**218.43**	316.38			-	-
Commission on corporate guarantee					**37.60**	32.07				
Corporate guarantee given	**-**	-			**15,000.00**	15,000.00			-	-

*below the rounding off norm adopted by the Company

Year End Balances

Particulars	Key Management Personnel		Entities Having Significant Influence Over the Company		Subsidiary		Associated Companies	
	As at		As at		As at		As at	
	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019
Investment	-	-	-	-	**8,461.00**	8,561.00	**2,735.06**	2,735.06
Remuneration	**2784.33**	2,350.59	-	-	**-**	-	-	-
Royalty			**199.32**	180.46				
Loans and advances outstanding	-	-	-	-	**-**	420.62	-	-
Purchase of MEIS & others					**150.86**	-		
Corporate guarantee given	-	-	-	-	**15,000.00**	15,000.00	-	-

Notes to Financial Statements for the year ended 31st March, 2020

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

*below the rounding off norm adopted by the Company

43. Employee Benefits

(i) Leave Obligations

The leave obligations cover the Company's liability earned leave.

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

	31st March, 2020	31st March, 2019
Current leave obligations expected to be settled within the next 12 months	140.78	65.19

(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 ₹ 287.31 Lakhs (31st March, 2019 - ₹ 257.57 Lakhs)

(iii) Post Employment Benefit Obligation

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

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

	31st March, 2020			31st March, 2019		
	Present Value of Obligation	Fair Value of Plan Assets	Net Amount	Present Value of Obligation	Fair Value of Plan Assets	Net Amount
Opening balance	663.25	520.70	142.55	502.19	284.03	218.16
Current Service Cost	90.48	-	90.48	71.04	-	71.04
Past Service Cost	-		-	-		-
Interest expense	51.18		51.18	38.64		38.64
Interest income	-	40.18	(40.18)	-	21.85	(21.85)
Contributions	-		-	-		-
Total amount recognised in profit or loss	141.66	40.18	101.48	109.68	21.85	87.83
Remeasurements						
Return on plan assets, excluding amounts included in interest expense/(income)	-	1.82	(1.82)	-	6.04	(6.04)

Notes to Financial Statements for the year ended 31st March, 2020

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

(Gain)/loss from change in demographic assumptions	0.40		0.40	39.32		39.32
(Gain)/loss from change in financial assumptions	72.88		72.88	-		-
Experience (gains)/losses	12.98		12.98	21.44		21.44
Total amount recognised in other comprehensive income	**86.26**	**1.82**	**84.44**	**60.76**	**6.04**	**54.72**
Employer contributions		142.55	(142.55)		218.16	(218.16)
Benefit payments	(30.35)	(30.35)	-	(9.39)	(9.39)	-
Closing Balance	**860.82**	**674.90**	**185.92**	**663.24**	**520.69**	**142.55**

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

	31st March, 2020	31st March, 2019
Present value of funded obligations	860.82	663.24
Fair value of plan assets	674.90	520.69
Deficit of funded plan	**185.92**	**142.55**
Unfunded plans	-	-
Deficit of gratuity plan	**185.92**	**142.55**

(ii) Significant Estimates: Actuarial Assumptions

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

	31st March, 2020	31st March, 2019
Discount rate	6.75%	7.70%
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 (2006-08) Ult.

(iii) Sensitivity Analysis

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

				Impact on defined benefit obligation				
	Change in Assumption			Increase in Assumption			Decrease in Assumption	
	31st March, 2020	31st March, 2019		31st March, 2020	31st March, 2019		31st March, 2020	31st March, 2019
Discount rate	1.00%	1.00%	Decrease by	76.94	61.77	Increase by	90.55	72.84
Attrition rate	50.00%	50.00%	Decrease by	37.40	22.38	Increase by	51.84	31.41
Salary escalation rate	1.00%	1.00%	Increase by	81.00	64.07	Decrease by	70.76	56.52

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.

Notes to Financial Statements for the year ended 31st March, 2020

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

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

	31st March, 2020	31st March, 2019
Funds managed by SBI Life Insurance Company Limited	674.90	520.69
Total	674.90	520.69

(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 post-employment benefit plans for the year ending 31st March, 2021 is ₹ 291.60 Lakhs

	Less than a Year	Between 2-5 years	Between 6-10 years	More than 10 years
31-Mar-21				
Gratuity	100.34	230.98	378.12	1,251.61
Total	100.34	230.98	378.12	1,251.61

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

Consolidated Financials
2019-20

Independent Auditors` Report

To the Members of
Avanti Feeds Limited

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **Avanti Feeds Limited** ('the Company') and its subsidiaries (collectively referred to as "the Group"), and its associates, which comprise the Consolidated Balance Sheet as at 31st March, 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2020, the consolidated profit , consolidated total 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.	Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of Ind AS 115 "Revenue from Contracts with Customers" (revenue accounting standard). The application of the revenue accounting standard involves certain key judgements relating to identification of the contract with a customer, identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized when a performance obligation is satisfied. Additionally, revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date. Refer Notes 2.4e and 24 to the Consolidated Financial Statements	**Principal Audit Procedures** We assessed the Group'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: • Evaluated the design of internal controls relating to implementation of the revenue accounting standard. • Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, reperformance and inspection of evidence in respect of operation of these controls. • Tested the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the revenue accounting standard. • Selected a sample of continuing and new contracts and performed the following procedures: • Read, analyzed and identified the distinct performance obligations in these contracts. • Compared these performance obligations with that identified and recorded by the Group. • Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration. • Samples in respect of revenue recorded upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services, were tested using a combination of DCs, Sales orders, weighment slips, non-returnable gate passes, shipping bills including packing lists, subsequent invoicing, bills of lading, customer acceptances and historical trend of collections and disputes. • Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings. • We reviewed the collation of information and the logic of the report generated from the IT system used to prepare the disclosure relating to the periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.

S No	Key Audit Matters	Auditor's Response
2.	Availment of Section 80IB benefits under the Income tax Act, 1961. Refer Note 23 to the Consolidated Financial Statements	**Principal Audit Procedures** We have reviewed the status of the Availment of Section 80 IB benefits under the Income tax Act, 1961 by the Group for its; Shrimp processing plant at Yerravaram, East Godavari, AP, from AY 2018-19 onwards for 10 years as a tax holiday period, which will end in AY 2027-28. The current tax benefit availed for FY 19-20 is ₹ 3,071.55 lakhs (Previous year - ₹ 1,618.76 lakhs).
3.	The Group enters into various financial instruments such as derivative financial instruments to hedge the Group's exposure to variability in foreign exchange movements, including investments in quoted and unquoted equity instruments, quoted and unquoted mutual funds and quoted non-convertible debentures. As at 31st March, 2020, financial instruments carried at fair value through profit and loss totaled ₹ 64,859.81 lakhs (current investments of ₹ 64,433.41 lakhs and non-current investments of ₹ 426.40 lakhs) as disclosed in Note 7 to the Consolidated Financial Statements and derivative financial liabilities totalled ₹ 1,013.65 lakhs (current liabilities) as disclosed in Note 18 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.	**Our procedures included but were not limited to:** • Obtaining an understanding of the internal risk management procedures and the systems and controls associated with the origination and maintenance of complete and accurate information relating to financial instruments; • Utilizing our treasury experts, we also tested on a sample basis the existence and valuation of such financial instruments as at 31st March, 2020. Our audit procedures focused on the integrity of the valuation models and the incorporation of the contract terms and the key assumptions, including future price assumptions and discount rates; and • Obtaining an understanding of key financial instrument contract terms to assess the appropriateness of accounting reflected in the financial report. We have also assessed the appropriateness of the disclosures included in Note 33 to the Consolidated Financial Statements.

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

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

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

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

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

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associates in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the Group and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates are responsible for overseeing the financial reporting process of the Group and of its associates.

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

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(I) of the Act, we are also responsible for expressing our opinion on whether the Company, its subsidiary companies and associate companies which are companies incorporated in India, have adequate internal

financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the Ind AS 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 Ind AS 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 Ind AS 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

On account of the COVID-19 related lock-down restrictions, we were not able to physically observe the verification of inventory that was carried out by the Management. Consequently, we have performed alternate procedures to audit the existence of Inventory as per the guidance provided by in SA 501 "Audit Evidence – Specific Considerations for Selected Items" and have obtained sufficient audit evidence to issue our unmodified opinion on these Consolidated Financial Results.

We did not audit the financial statements of one of the subsidiaries, whose financial statements reflect total assets of ₹ 52,468.84 lakhs as at 31st March, 2020 and total revenues of ₹ 96,633.39 lakhs for the year ended 31st March, 2020, total net profit after tax of ₹ 9,949.76 lakhs for year ended 31st March, 2020 and total comprehensive income of ₹ 9,933.99 lakhs and net cash flows of ₹ (3,664.15) Lakhs for the year ended 31st March, 2020, as considered in the Consolidated Financial Statements. The Consolidated Financial Statements also include the Group's share of net profit of ₹ 41.40 lakhs for the year ended 31st March, 2020, as considered in the Consolidated Financial Statements, in respect of associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and its associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and its associates, is based solely on the reports of the other auditors.

The Consolidated Financial Statement also include the financial Information of a step-down subsidiary which

has not been audited by any other auditor, whose financial statements reflect total assets of ₹ 7.53 lakhs as at 31st March, 2020 and total revenues of ₹ Nil lakhs for the year ended 31st March, 2020, total net profit after tax of ₹ Nil lakhs for year ended 31st March, 2020 and total comprehensive income of ₹ Nil lakhs for the year ended 31st March, 2020 and net cash flows of ₹ 7.20 lakhs for the year ended 31st March, 2020. These unaudited financial statements have been approved and furnished to us by the Management and our conclusion on the financial statements, in so far as it relates to the affairs of the subsidiary, is based solely on such unaudited financial statements. According to the information and explanations given to us by the Management, this financial statements / 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 and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

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

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.

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.

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.

In our opinion, the aforesaid Consolidated 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.

On the basis of the written representations received from the directors of the Company as on 31st March, 2020 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies and associate companies incorporated in India, none of the Directors of the Group companies and associate companies incorporated in India is disqualified as on 31st March, 2020 from being appointed as a Director of that company in terms of Section 164(2) of the Act.

With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "**Annexure-A**" which is based on the auditor's reports of the Company, its subsidiary companies and associate companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.

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

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

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:

the Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates. Refer Note 36 to the Consolidated Financial Statements;

The Group and its associates did not have any material foreseeable losses on long-term contracts including derivative contracts.

There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group and its associates incorporated in India.

For TUKARAM & CO LLP.
Chartered Accountants
ICAI Firm Regn. 004436S

(B. LOKANATH)
PARTNER
Membership No.024927
UDIN: 20024927AAAAAF6412

Place : Hyderabad
Date : 27th June, 2020

Annexure - A to the Independent Auditors' Report of even date on the Consolidated Financial Statements of Avanti Feeds Limited

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

In conjunction with our audit of the Consolidated Financial Statements of Avanti Feeds Limited as of and for the year ended 31st March, 2020, we have audited the internal financial controls over financial reporting of **Avanti Feeds Limited** (hereinafter referred to as the "Company"), its subsidiary companies and associate companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the on the internal financial controls system over financial reporting of the Company, its subsidiary companies and associate companies, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS 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 Ind AS 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 Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that

the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company, its subsidiary companies and associate companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2020, 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 Regn. 004436S

(B. LOKANATH)
PARTNER
Membership No.024927
UDIN: 20024927AAAAAF6412

Place : Hyderabad
Date : 27th June, 2020

Consolidated Balance Sheet as at 31st March, 2020

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

	Notes	As at 31st March, 2020	As at 31st March, 2019
ASSETS			
Non-current Assets			
Property, plant, and equipment	**3**	26,649.60	29,226.70
Capital work-in-progress	**3**	2,588.71	900.93
Intangible assets	**4**	23.66	26.19
Right of use assets	**5(a)**	413.96	-
Investments accounted for using the equity method	**6**	3,187.88	3,146.47
Financial assets			
Investments	**7(a)**	426.40	6,753.52
Loans	**8(a)**	88.12	95.67
Other financial assets	**9**	804.36	735.01
Non-current tax assets (net)	**23(b)**	1,731.60	2,297.56
Other non-current assets	**10(a)**	553.85	338.41
Total Non-Current Assets		**36,468.14**	**43,520.46**
Current Assets			
Inventories	**11**	54,350.65	37,906.21
Financial assets			
Investments	**7(b)**	64,433.41	53,117.16
Trade receivables	**12**	8,877.13	4,863.69
Cash and cash equivalents	**13**	1,590.30	5,806.21
Other Bank balances	**14**	18,266.50	12,885.06
Loans	**8(b)**	130.06	97.96
Other current assets	**10(b)**	3,878.86	3,285.10
Total Current Assets		**151,526.91**	**117,961.39**
Total Assets		**187,995.05**	**161,481.85**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	1,362.46	1,362.46
Other equity	16	139,006.40	119,234.22
Equity attributable to owners		140,368.86	120,596.68
Non-controlling interest		19,108.49	15,133.28
Total equity		**159,477.35**	**135,729.96**
Liabilities			
Non current liabilities			
Financial liabilities			
Borrowings	17	15.98	105.64
Lease Liability	5(b)(i)	32.96	-
Other financial liabilities	18(a)	374.50	374.50
Provisions	19(a)	153.38	167.74
Deferred tax liabilities (net)	23(a)	454.15	1,774.10
Other non-current liabilities	20(a)	1,144.36	1,335.34
Total Non-current Liabilities		**2,175.33**	**3,757.32**
Current liabilities			
Financial liabilities			
Borrowings	21	0.02	667.14
Trade payables			
i) Total outstanding dues of Micro enterprises and small enterprises	22	670.23	886.87
ii) Total outstanding dues of creditors other than Micro enterprises and small enterprises	22	21,083.94	17,104.02
Lease Liability	5(b)(ii)	17.90	
Other financial liabilities	18(b)	1,383.12	543.06
Other current liabilities	20(b)	2,946.04	2,675.80
Provisions	19(b)	241.12	117.68
Total Current Liabilities		**26,342.37**	**21,994.57**
Notes forming part of the Financial Statements	1-46		
Total Equity and Liabilities		**187,995.05**	**161,481.85**

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

(B. LOKANATH)
Partner
Membership No. 024927

Place : Hyderabad
Date : 27th June, 2020

For and on behalf of the Board of Directors

A. Indra Kumar
Chairman & Managing Director

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

N. Ram Prasad
Director

Consolidated Statement of Profit & Loss for the year ended 31st March, 2020

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

	Notes	For the Year Ended 31st March, 2020	For the Year Ended 31st March, 2019
Income			
Revenue from operations	24	411,529.15	348,777.95
Other income	25	7,023.47	5,382.73
Total Income		**418,552.62**	**354,160.68**
Expenditure			
Cost of materials consumed	26	329,936.68	274,018.03
Changes in inventories of finished goods and work-in-progress	27	(3,519.81)	(324.56)
Employee benefits expense	28	11,351.49	10,032.29
Finance costs	30	198.79	262.67
Depreciation and amortisation expense	29	3,770.67	3,583.87
Other expenses	31	28,370.17	24,327.41
Total expenses		**370,107.99**	**311,899.71**
Profit before tax, exceptional items & share in profit of Associates		48,444.63	42,260.97
Add: Share of net profit/(loss) of associates accounted for using the equity method		41.40	25.71
Profit before exceptional items and tax for the year		**48,486.03**	**42,286.68**
Exceptional items	32	-	518.70
Profit before tax		**48,486.03**	**42,805.38**
Tax expenses			
Current tax	23c	11,177.38	12,980.65
Deferred tax	23c	(1,319.94)	(837.26)
Total tax expense		**9,857.44**	**12,143.39**
Profit for the year		**38,628.59**	**30,661.99**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		(100.22)	(62.25)
Total comprehensive income for the year		**38,528.37**	**30,599.74**
Attributable to:			
Owners of AFL		34,554.77	27,303.77
Non-controlling interests		3,973.60	3,295.97
Profit is attributable to:			
Owners of AFL		34,648.68	27,363.01
Non-controlling interests		3,979.91	3,298.98
Other comprehensive income is attributable to:			
Owners of AFL		(93.91)	(59.24)
Non-controlling interests		(6.31)	(3.01)
Earnings per equity share			
(Equity shares, par value of ₹ 1/- each)			
Basic and diluted EPS (in ₹)			
Basic		25.43	20.08
Diluted		25.43	20.08
Notes forming part of the Financial Statements	**1-46**		

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

(B. LOKANATH)
Partner
Membership No. 024927

Place : Hyderabad
Date : 27th June, 2020

For and on behalf of the Board of Directors

A. Indra Kumar
Chairman & Managing Director

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

N. Ram Prasad
Director

Consolidated Statement of Changes in Equity for the year ended 31st March, 2020

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

a. Equity

	Number of Shares	Amount
Balance at 1st April, 2018	45,415,210	908.30
Changes in equity share capital during the year	90,830,420	454.16
Balance at 31st March, 2019	136,245,630	1,362
Changes in equity share capital during the year	-	-
Balance at 31st March, 2020	136,245,630	1,362

b. Other Equity

	Reserves And Surplus					
	Securities Premium	General Reserve	Foreign Currency Translation	Retained Earnings	Non Controlling Interest	Total
Balance at 1st April, 2018	456.85	13,124.28	-	88,658.54	11,837.32	114,076.99
Profit for the year	-	-	-	27,363.01	3,295.97	30,658.98
Utilised for bonus issue	(438.00)	(16.15)	-	-		(454.15)
Remeasurements of the defined benefit plans	-	-	-	(59.24)		(59.24)
Dividends (including corporate dividend tax)	-	-	-	(9,855.07)		(9,855.07)
Transfer of retained earnings to general reserve	-	2,000.00	-	-		2,000.00
Profits transferred to Non-controlling interest			-	(2,000.00)		(2,000.00)
Balance at 31st March, 2019	**18.85**	**15,108.13**	**-**	**104,107.24**	**15,133.29**	**134,367.51**
Profit for the year	-	-		34,648.68	3,973.60	38,622.28
transferred to retaining earnings	(18.85)	(42.41)		61.26		-
Adjustment on adoption of INDAS 116	-	-		1.31	-	1.31
Translation Reserve during the year	-	-	0.33	-	-	0.33
Adjustment of Reserves attributable to NCI*			(0.13)	(1.48)	1.61	-
Remeasurements of the defined benefit plans	-	-		(93.91)		(93.91)
Dividends (including corporate dividend tax)	-	-		(14,782.62)		(14,782.62)
Transfer of retained earnings to general reserve	-	2,500		(2,500)		-
Balance at 31st March, 2020	-	17,565.72	0.20	121,440.48	19,108.49	158,114.89

* Adjustment to NCI due to adoption of IND AS 116 and share of Foreign Currency Translation reserve of subsidiary

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

(B. LOKANATH)
Partner
Membership No. 024927

Place: Hyderabad
Date : 27th June, 2020

For and on behalf of the Board of Directors

A. Indra Kumar
Chairman & Managing Director

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

N. Ram Prasad
Director

Audited Consolidated Statement of Cash Flows for the year ended 31st March, 2020

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

	For the Year Ended 31st March, 2020	For the Year Ended 31st March, 2019
A. CASH FLOW FROM OPERATING ACTIVITIES	**48,486.03**	**42,805.38**
Profit before tax		
Adjustments for:		
Depreciation and amortisation expense	3,770.67	3,583.87
Finance costs	198.79	262.67
Loss / (Profit) on sale of property, plant and equipment	195.03	31.57
Interest income	(986.91)	(534.44)
Dividend income	(2,353.37)	(1,537.27)
Exchange gains / losses	(1,690.22)	634.01
Gain / loss from sale of financial assets measured at fair value through profit and loss	(921.89)	(1,686.20)
Fair valuation of financial assets measured at fair value through profit and loss	(1,554.07)	(537.82)
Fair valuation of derivatives	1,013.65	26.05
Share of profit / (loss) from Associates	(41.40)	(25.71)
Amortisation of government grant	(190.97)	(187.19)
Provision for employee benefits	294.28	223.17
Operating profit before working capital changes	46,219.62	43,058.09
Adjustments for (increase) / decrease in operating assets:		
Trade receivables	(4,013.44)	139.76
Loans	(24.55)	(36.41)
Other financial assets	(70.27)	97.83
Inventories	(16,444.44)	14,575.23
Other bank balances	(5,312.69)	(12,121.09)
Other assets	(809.20)	(1,367.02)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	3,763.98	(10,663.92)
Provisions	(285.42)	(356.66)
Other financial liabilities	(173.59)	48.90
Other liabilities	270.24	(394.70)
Cash generated from operations	23,120.24	32,980.01
Net income tax paid	(10,611.42)	(14,603.57)
Net cash flow from operating activities (A)	**12,508.82**	**18,376.44**

Audited Consolidated Statement of Cash Flows for the year ended 31st March, 2020

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

	For the Year Ended 31st March, 2020	For the Year Ended 31st March, 2019
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on fixed assets, including capital advances	(3,495.48)	(2,500.15)
Proceeds from sale of Property, Plant and Equipment	73.88	81.63
Changes in investments	(2,513.17)	(2,322.34)
Interest received	987.83	525.19
Dividend income received	2,353.37	1,537.27
Net cash (used in) / flow from investing activities (B)	**(2,593.57)**	**(2,678.40)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Finance costs	(194.46)	(262.67)
Repayment of borrowings	(756.78)	224.85
Repayment of Lease Liabilities	(18.77)	-
Dividends paid	(14,851.37)	(9,905.41)
Profit on exchange fluctuations & forward contracts	1,690.22	(634.01)
Net cash flow (used in) financing activities (C)	(14,131.16)	(10,577.24)
Net (decrease) in Cash and cash equivalents (A+B+C)	(4,215.92)	5,120.80
Cash and cash equivalents at the beginning of the year	5,806.21	685.41
Cash and cash equivalents at the end of the year (Refer Note (i) below)	1,590.30	5,806.21
Note (i): Cash and cash equivalents comprises of:		
Balances with Banks	1,561.03	5,780.55
Cash in hand	29.27	25.66
	1,590.30	**5,806.21**

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.

As per our Report of even date
for TUKARAM & CO. LLP.
Chartered Accountants
ICAI Firm Registration No. 004436S

(B. LOKANATH)
Partner
Membership No. 024927

Place : Hyderabad
Date : 27th June, 2020

For and on behalf of the Board of Directors

A. Indra Kumar
Chairman & Managing Director

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

N. Ram Prasad
Director

Notes forming part of the Consolidated Financial Statements

Background

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 two subsidiaries (incorporated in India) named Avanti Frozen Foods Private Limited (AFFPL) and SVIMSAN Exports & Imports Private Limited (SEIPL), AFFPL is engaged in the business of exporting Shrimp. AFL, AFFPL and SEIPL 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 27th June, 2020.

1. Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a. Basis of Preparation

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act,2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements up to year ended 31st March, 2020 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

(ii) Historical Cost Convention

The financial statements have been prepared on a historical cost basis, except for the following:

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

b. 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

Notes forming part of the Consolidated Financial Statements

and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the impairment policy.

iv) Changes in Ownership Interest

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

c. Segment Reporting

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

The Chief Financial Officer (CFO) of the Holding Company has been identified as the chief operating decision maker. Refer Note 42 for the segment information presented.

d. Foreign Currency Translation

(i) Functional and presentation currency

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

(ii) Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. Foreign exchange difference regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other gains / (losses).

Non-monetary items that are measured at fair value in a foreign currency are

Notes forming part of the Consolidated Financial Statements

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.

e. Revenue Recognition

The Company earns revenue primarily from sale of Shrimp Feed and Shrimp Exports

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

(1) identify the contract with a customer,

(2) identify the performance obligations in the contract,

(3) determine the transaction price,

(4) allocate the transaction price to the performance obligations in the contract, and

(5) recognize revenues when a performance obligation is satisfied.

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

Revenue is recognised 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.

f. 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.

g. Income Tax

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

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

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor

Notes forming part of the Consolidated Financial Statements

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.

h. Ind AS 116 - Leases

As a lessee

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

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

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

Effective April 01, 2019, the Company adopted Ind AS 116, Leases and applied the standard to all lease contracts existing on April 01, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the ROU asset at 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 date of initial application. Comparatives as at and for the year ended March 31, 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 year ended March 31, 2019.

i. 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).

Notes forming part of the Consolidated Financial Statements

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.

j. 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.

k. Trade Receivables

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

l. 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.

m. Investments and Other Financial Assets

(i) Classification

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

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

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

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

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

(ii) Measurement

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

Debt instruments

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

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payments of principal and interest,

Notes forming part of the Consolidated Financial Statements

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

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

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain / (losses) in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iii) Impairment of Financial Assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 34 details how the Group determines whether there has been a significant increase in credit risk.

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

(iv) Derecognition of Financial Assets

A financial asset is derecognised only when

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

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

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

(v) Income Recognition

Interest Income:

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross

Notes forming part of the Consolidated Financial Statements

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.

n. 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).

o. 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.

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

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

q. 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.

r. Trade and Other Payables

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

Notes forming part of the Consolidated Financial Statements

s. 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.

t. 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.

u. Provisions

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

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

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

v. Employee Benefits

(i) Short-term Obligations

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

(ii) Other Long-Term Employee Benefit Obligations

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

Notes forming part of the Consolidated Financial Statements

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

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

(iii) Post-employment Obligations

The Group operates the following post-employment schemes:

a) defined benefit plans such as gratuity; and

b) defined contribution plans such as provident fund, Employee State Insurance and superannuation fund

Gratuity Obligations

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

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

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

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

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

Defined contribution plans

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

(iv) Bonus Plans

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

w. 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.

x. 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.

y. Earnings per Share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

Notes forming part of the Consolidated Financial Statements

- 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.

z. 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. There is no such notification which would have been applicable from 1st April, 2020.

3. Critical Estimates and Judgements

Areas Involving Critical Estimates.

Estimation of defined benefit obligation, Refer note: 44

3. Property, Plant and Equipment and Capital Work-in-Progress

(All amounts in Indian Rupees, unless otherwise stated)

Particulars	Land-Free hold	Buildings	Roads	Plant & machinery	Wind mills	Electrical Installation	Lab equipments	Office equipment	Computers	Furniture and fixtures	Motor vehicles	Total tangible assets	Capital work-in-progress
As at 31st March, 2018	**3,462.82**	**6,319.78**	**363.39**	**18,896.63**	**649.31**	**2,897.95**	**371.38**	**161.84**	**125.56**	**238.52**	**1,414.31**	**34,901.49**	**197.30**
Additions	188.07	181.72	2.92	603.01	-	138.98	67.07	72.95	35.12	36.88	393.59	1,720.32	857.99
Disposals	21.64	4.00	-	6.54	-	1.42	0.74	0.70	2.21	0.02	139.32	176.59	154.35
As at 31st March, 2019	**3,629.26**	**6,497.50**	**366.31**	**19,493.10**	**649.31**	**3,035.51**	**437.71**	**234.09**	**158.47**	**275.38**	**1,668.58**	**36,445.22**	**900.94**
Additions	300.86	32.98	-	681.58	-	38.98	40.60	42.09	43.80	76.31	537.03	1,794.23	1,961.67
Reclasification of adoption of IND AS 116	-	15.19	-	386.25	-	158.70	-	-	-	-	-	560.14	-
Disposals	-	-	-	386.20	-	0.60	1.51	3.97	2.72	0.04	22.81	417.85	273.90
As at 31st March, 2020	**3,930.11**	**6,515.29**	**366.31**	**19,402.23**	**649.31**	**2,915.19**	**476.80**	**272.21**	**199.55**	**351.65**	**2,182.80**	**37,261.46**	**2,588.71**
Depreciation													
Upto 31st March, 2018	**-**	**283.93**	**52.84**	**2,421.76**	**108.24**	**369.39**	**56.43**	**51.64**	**39.57**	**38.15**	**282.24**	**3,704.19**	**-**
Charge for the year	-	267.26	41.83	2,526.38	54.12	329.60	45.34	36.87	43.69	28.59	204.41	3,578.09	-
Disposals	-	0.43	-	2.20	-	0.51	0.34	0.66	2.11	0.02	57.08	63.35	-
Upto 31st March, 2019	**-**	**550.76**	**94.67**	**4,945.94**	**162.36**	**698.48**	**101.43**	**87.85**	**81.15**	**66.72**	**429.57**	**7,218.93**	**-**
Charge for the year	-	326.38	28.44	2,525.90	54.12	314.70	48.25	49.38	47.07	33.75	233.29	3,661.28	-
Reclasification of adoption of IND AS 116	-	1.62	-	90.45	-	27.34	-	-	-	-	-	119.41	-
Disposals	-	-	-	134.65	-	0.42	0.94	2.27	2.55	0.04	8.07	148.94	-
Upto 31st March, 2020	-	875.52	123.11	7,246.74	216.48	985.42	148.74	134.96	125.67	100.43	654.79	10,611.86	-
Net block													
As at 31st March, 2019	**3,629.26**	**5,946.74**	**271.64**	**14,547.16**	**486.95**	**2,337.03**	**336.28**	**146.24**	**77.32**	**208.66**	**1,239.01**	**29,226.70**	**900.93**
As at 31st March, 2020	**3,930.11**	**5,639.77**	**243.20**	**12,155.49**	**432.83**	**1,929.77**	**328.06**	**137.25**	**73.88**	**251.22**	**1,528.01**	**26,649.60**	**2,588.71**

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 31st March, 2020 includes ₹ 1,130.52 Lakhs of government grant availed under the scheme of Export Promotion Capital Goods Scheme (31st March, 2019: ₹ 1,130.52 Lakhs). (refer Note 20)

ii) Refer to note 39 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Notes to Consolidated Financial Statements for the year ended 31st March, 2020

(All amounts in Indian Rupees, unless otherwise stated)

4. Intangible Assets

Particulars	Computer Software
As at 31st March, 2018	**24.27**
Additions	15.34
Disposals	-
As at 31st March, 2019	**39.61**
Additions	4.20
Disposals	-
As at 31st March, 2020	**43.81**
Depreciation	
Upto 31st March, 2018	**7.63**
Charge for the year	5.79
Disposals	-
Upto 31st March, 2019	**13.42**
Charge for the year	6.73
Disposals	-
Upto 31st March, 2020	**20.15**
Net block	
As at 31st March, 2019	**26.19**
As at 31st March, 2020	**23.66**

5. Leases

a) Right of use assets

Particulars	Category of ROU Asset		Total
	Leasehold Land	Buildings	
Balance as at 1st April, 2019	19.48	35.28	54.76
Re-classification on adoption of Ind AS 116	440.73	-	440.73
Additions	21.13	-	21.13
Deletions	-		-
Depreciation	100.09	2.57	102.66
Balance as at 31st March, 2020	381.25	32.70	413.96

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

b) Lease liabilities as at 31st March, 2020

Particulars	As at 31st March, 2020
a) Non-Current	32.96
b) Current	17.90
Total	**50.86**

Notes to Consolidated Financial Statements for the year ended 31st March, 2020

(All amounts in Indian Rupees, unless otherwise stated)

The movement in lease liabilities during the year ended 31st March, 2020 is as follows:

Particulars	Amount
Balance as at 1st April, 2019	53.44
Additions	11.86
Finance cost accrued during the year	4.33
Deletions	-
Payment of lease liabilities	18.77
Balance as at 31st March, 2020	50.86

Rental expenses recorded on short-term leases was ₹197.63 Lakhs

The details of the contractual maturities of lease liabilities as at 31st March, 2020 on an undiscounted basis are as follows:

Particulars	Amount
Less than one year	21.17
One year to three years	28.49
More than three years	6.14
Total	55.80

6. Investments Accounted for using the Equity Method

Particulars	As at 31st March, 2020	As at 31st March, 2019
Equity instruments of associate Company (unquoted)		
Srivathsa Power Projects Limited		
1,66,93,630 (31st March, 2019: 1,66,93,630) equity shares of ₹ 10/- each fully paid up	**2,030.65**	2,129.64
Patikari Power Private Limited*		
1,06,45,200 (31st March, 2019: 1,06,45,200) equity shares of ₹ 10/- each fully paid up	**1,157.23**	1,016.83
Total (A)	**3,187.88**	**3,146.47**

7. Investments

Particulars	As at 31st March, 2020	As at 31st March, 2019
a) Non-Current Investments (Refer Note (i) below)		
Investments carried at cost		
Equity instruments of other entities (unquoted)	**425.13**	109.18
Investment carried at fair value through profit and loss		
(i) Equity instruments (quoted)	**1.27**	2.81
(ii) Investments in Non Convertible Debentures - Quoted	**-**	6,641.53
	426.40	**6,753.52**

Notes to Consolidated Financial Statements for the year ended 31st March, 2020

(All amounts in Indian Rupees, unless otherwise stated)

Particulars	As at 31st March, 2020	As at 31st March, 2019
b) Current investments (Refer Note (ii) below)		
Investment carried at fair value through profit and loss		
(i) Investments in Mutual Funds (quoted)	**47,230.90**	48,386.77
(ii) Investments in Non Convertible Debentures- Quoted	**17,202.51**	-
Investment carried at amortised cost		
(i) Investments in Secured Bonds - Quoted		
LIC Housing Finance Ltd 2019 (secured) bonds	**-**	2,609.27
(ii) Investments in Non Convertible Debentures- Quoted		
HDFC Ltd SR-M 015 9.45	**-**	2,121.12
	64,433.41	**53,117.16**
Note (i)		
Equity instruments (quoted)		
IDBI Bank Limited		
2,880 (31st March, 2019: 2,880) equity shares of ₹ 10/- each fully paid up	**0.56**	1.34
UCO Bank Limited		
7,800 (31st March, 2019: 7,800) equity shares of ₹ 10/- each fully paid up	**0.71**	1.47
Total (A)	**1.27**	**2.81**
Equity instruments other entity (unquoted)		
Bhimavaram Hospitals Limited		
1,20,000 (31st March, 2019: 1,20,000) equity shares of ₹ 10/- each fully paid up	**12.00**	12.00
PT Thai Union Kharisma Lestari	**413.13**	97.18
8,33,000 (31st March, 2019: 1,99,920) equity shares of IDR 10,000/- each fully paid up		
Total (B)	**425.13**	**109.18**
Investments in Non Convertible Debentures – Quoted		
Mahindra And Mahindra Financial Services Ltd As2018 BR NCD	**-**	3,106.94
HDB Financial Services Ltd Sr A/O(MI)/1 Br NCD	**-**	1,011.40
Tata Capital Financial Services Ltd Sr Tr A 2018-19 Tr I BR NCD	**-**	2,523.19
	-	**6,641.53**
Aggregate amount of quoted investments and market value thereof	**1.27**	6,644.34
Aggregate amount of unquoted investments	**425.13**	109.18
Aggregate amount of impairment in the value of investments	**-**	-

Notes to Consolidated Financial Statements for the year ended 31st March, 2020

(All amounts in Indian Rupees, unless otherwise stated)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Note (ii)		
Current investments		
Investment in mutual funds		
SBI - Premier Liquid Fund - NIL (31st March, 2019; 96373.907 units of ₹ 1003.25 each)	-	966.87
Birla Sunlife Savings Fund - Growth Regular Plan - NIL (31st March, 2019: 1,486.60 units of ₹ 368.9824 each)	-	5.49
Franklin Ultra Short Bond Fund - SIP - Growth - 2,16,36,685.433 units of ₹ 27.5057 each (31st March, 2019: 2,16,36,685.433 units of ₹ 26.2888 each)	**5,951.32**	5,683.70
Franklin Ultra Short Bond Fund - SIP - Segregated Portfolio - 2,16,36,685.433 units of ₹ Nil each (31st March, 2019: NIL) - Refer Note below	-	-
IDFC Arbitrage Fund Monthly Dividend - Direct Plan - 6,83,71,856.645 units of ₹ 13.2292 each (31st March, 2019 - NIL)	**9,045.05**	-
Franklin Templeton India Savings Fund - NIL (31st March, 2019: 2516496.925 units ₹ 10.0215 each)	-	252.19
IDFC Low duration Fund - Growth Regular plam - 63,05,779.878 units of ₹ 28.5671 each (31st March, 2019: 63,05,779.878 units of ₹ 26.4976 each)	**1,801.38**	1,670.88
Kotak Low Duration Fund - Standard growth Regular Plan - 2,19,345.131 units of ₹2,464.3644 each (31st March, 2019: 3,43,284.732 units of ₹ 2,286.4203 each)	**5,405.46**	7,849.05
HDFC Floating Rate debt Fund - Regular plan - Growth - 51,52,012.143 units of ₹35.1126 each (31st March, 2019: 51,52,012.143 units of ₹ 32.5031 each)	**1,809.00**	1,674.56
IDFC arbitrage fund-monthly dividend (R.P.) - NIL (31st March 2019; 28465906.623 units of ₹ 12.7372 each)	-	3,625.76
Kotak equity arbitrage fund - regular (DRI) - NIL (31st March 2019; 20754414 units of ₹ 23.0666 each)	-	4,787.34
Reliance arbitrage advantage fund - regular (DIR) - NIL (31st March 2019; 86216525.637 units of ₹ 10.6263 each)	-	9,161.63
Nippon India Liquid Fund - NIL (31st March 2019: 47,688.022 units of ₹ 4539.2103 each)	-	2,163.75
SBI Magnum Ultra Short Duration Fund Directly daily dividend- 6,01,331.139 units of ₹ 1,675.03 each (31st March, 2019: 482917.040 units of ₹ 1675.03 each)	**10,072.48**	8,089.00
SBI Magnum Low Duration Fund - NIL (31st March, 2019: 243093.077 units of ₹ 1010.54 each)	-	2,456.55
Axis Banking & PSU Debt Fund - Direct Growth - 1,35,178.888 units of ₹ 1940.9982 each (31st March, 2019 - NIL)	**2,623.82**	-
IDFC Banking & PSU Debt Fund - Direct Growth 1,29,45,875.330 units of ₹ 17.9641 each (31st March, 2019 - NIL)	**2,325.65**	-
Nippon India Arbitrage Fund - Direct Monthly Dividend Plan - 7,35,74,695.526 units of ₹ 11.1407 each (31st March, 2019 - NIL)	**8,196.74**	-
	47,230.90	**48,386.77**

Notes to Consolidated Financial Statements for the year ended 31st March, 2020

(All amounts in Indian Rupees, unless otherwise stated)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Mahindra And Mahindra Financial Services Ltd As2018 BR NCD	**5,507.52**	-
HDB Financial Services Ltd Sr A/O(MI)/1 Br NCD	**1,097.09**	-
HDFC LTD SR-T-001 7.9 NCD	**2,499.14**	-
Tata Capital Financial Services Ltd Sr Tr A 2018-19 Tr I BR NCD	**5,466.77**	-
Fulltron India Credit Company Limited	**2,631.99**	
	17,202.51	**-**

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

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

8. Loans

Particulars	As at 31st March, 2020	As at 31st March, 2019
(a) Non-current		
Unsecured, considered good		
Loans to employees	88.12	95.67
	88.12	**95.67**
(b) Current		
Unsecured, considered good		
Loans to employees	130.06	97.96
	130.06	**97.96**
Total	**218.18**	**193.63**

9. Other Financial Assets

Particulars	As at 31st March, 2020	As at 31st March, 2019
Non Current		
Unsecured, considered good		
Margin Money Accounts*	39.87	39.22
Security deposits	764.49	695.79
	804.36	**735.01**

* Margin Money deposits with bank of a carrying amount of ₹ 39.87 Lakhs (31st March, 2019: 39.22 Lakhs) are lien marked for import L.C.s and for issuance of SBLC for Anti Dumping Duty purpose to US Customs Authorities.

Notes to Consolidated Financial Statements for the year ended 31st March, 2020

(All amounts in Indian Rupees, unless otherwise stated)

10. Other Assets

Particulars	As at 31st March, 2020	As at 31st March, 2019
(a) Non-current		
Unsecured, considered good		
Capital advances	550.91	217.40
Taxes paid under protest	2.94	121.01
Total	**553.85**	**338.41**
(b) Current		
Unsecured, considered good		
Prepaid expenses	279.95	263.29
Advance for purchases	219.04	73.53
Export incentives receivable	1,403.55	1,604.37
MEIS Licenses on hand	1,451.26	1,076.28
Advance to suppliers	482.63	220.70
Interest accrued on electricity deposits	36.50	37.42
Share application money pending for allotment	5.93	9.51
Total	**3,878.86**	**3,285.10**

11. Inventories (valued at lower of cost or net realizable value)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Raw materials (includes good in transit)		
In godown	28,809.89	16,159.71
In goods in transit	672.46	212.91
Packing materials	711.65	732.77
Work-in-process	659.02	723.08
Finished goods		
Finished goods	13,663.42	10,021.45
Stock-in-transit	7,632.31	7,690.41
Stores and spares	2,201.90	2,365.88
Total	**54,350.65**	**37,906.21**

12. Trade Receivables

Particulars	As at 31st March, 2020	As at 31st March, 2019
Secured & Considered Good :	8,040.69	4,395.37
Unsecured, considered good	984.07	624.33
Less: Allowance for bad & doubtful debts	(147.63)	(156.01)
Total	**8,877.13**	**4,863.69**

Notes to Consolidated Financial Statements for the year ended 31st March, 2020

(All amounts in Indian Rupees, unless otherwise stated)

13. Cash and Cash Equivalents

Particulars	As at 31st March, 2020	As at 31st March, 2019
Balances with banks:		
- In current accounts	910.82	5,780.55
- In Fixed Deposit Accounts (Maturity less than 3 months)	650.21	-
Cash in hand	29.27	25.66
Total	**1,590.30**	**5,806.21**

14. Other Bank Balances

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unpaid dividend accounts	249.03	180.28
Deposit Accounts	17,383.51	12,114.23
Margin money accounts*	633.96	590.55
Total	**18,266.50**	**12,885.06**

* Margin Money deposits with bank of a carrying amount of ₹ 633.96 Lakhs (31st March, 2019: ₹ 590.55 Lakhs) are lien marked for import L.C.s and for issuance of SBLC for Anti Dumping Duty purpose to US Customs Authorities.

15. Equity Share Capital

Particulars	As at 31st March, 2020	As at 31st March, 2019
Authorised capital		
15,85,00,000 equity shares of ₹ 1/- each (31st March, 2019: 15,85,00,000 equity shares of ₹ 1/- each)	**1,585.00**	**1,585.00**
Issued, subscribed and paid up		
13,62,45,630 fully paid up equity shares of ₹ 1/- each (31st March, 2019; 13,62,45,630 shares ₹ 1/- each)*	**1,362.46**	1,362.46
	1,362.46	**1,362.46**

Notes:

(a) Reconciliation of the number of shares outstanding

Particulars	Number of Shares	Amount
Balance at 1st April, 2018	45,415,210	908.30
Shares issued during the year	90,830,420	454.16
Balance at 31st March, 2019	**136,245,630**	**1,362.46**
Shares issued during the year	-	-
Balance at 31st March, 2020	**136,245,630**	**1,362.46**

Notes to Consolidated Financial Statements for the year ended 31st March, 2020

(All amounts in Indian Rupees, unless otherwise stated)

b. Details of shares held by each shareholder holding more than 5% shares

Name of the shareholder	As at 31st March, 2020		As at 31st March, 2019	
	Number of shares held	% holding of equity shares	Number of shares held	% holding of equity shares
Equity shares of ₹ 1/- each fully paid up (previous year ₹ 1/- each)				
1. Srinivasa Cystine Private Limited	36,299,115	26.64	36,299,115	26.64
2. Thai Union Group Public Company Limited	21,030,630	15.44	21,030,630	15.44
3. Thai Union Asia Investment Holding Limited	11,954,826	8.77	11,954,826	8.77
3. Alluri Indra Kumar	8,330,700	6.11	8,330,700	6.11
4. Alluri Indra Kumar (HUF)	8,189,250	6.01	8,189,250	6.01

As per records of the Company, including its register of shareholders / members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownerships of shares.

c. Rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 1/- per share (previous year ₹ 1/- per share). Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

(d) Equity shares movement during the 5 years preceding 31st March, 2020 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 Lakhs and general reserve amounting to ₹ 16.15 Lakhs, which was approved by the shareholders by means of a special resolution through E.G.M. held on 14th June, 2018.

16. Other Equity

Particulars	As at 31st March, 2020	As at 31st March, 2019
Securities premium	-	18.85
Foreign Currency Translation Reserve	0.20	-
General reserve	17,565.72	15,108.13
Retained earnings	121,440.48	104,107.24
Total Other Equity	**139,006.40**	**119,234.22**

Notes to Consolidated Financial Statements for the year ended 31st March, 2020

(All amounts in Indian Rupees, unless otherwise stated)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Securities premium		
Balance at beginning of year	18.85	456.85
Transferred to retaining earnings	(18.85)	
Less: Utilised for bonus issue	-	(438.00)
Balance at end of year	**-**	**18.85**
Foreign Currency Translation Reserve		
Balance at beginning of year	**-**	**-**
Add: Additions	0.33	-
Less: Attrbutible to NCI	(0.13)	-
Balance at end of year	**0.20**	**-**
General Reserve		
Balance at beginning of year	15,108.13	13,124.28
Transferred to retaining earnings	(42.41)	
Less: Utilised for bonus issue	-	(16.15)
Transferred from Surplus in Statement of Profit and Loss	2,500	2,000.00
Balance at end of year	**17,565.72**	**15,108.13**
Retained earnings		
Balance at beginning of year	104,107.24	88,658.54
Adjustment in Reserves	61.26	
Adjustment on adoption of INDAS 116	1.31	-
Adjustment on adoption of INDAS 116 - Attributable to NCI	(1.48)	-
Profit attributable to owners of the Company	34,648.68	27,363.01
Remeasurements of the defined benefit plans	(93.91)	(59.24)
Profits transferred to general reserves	(2,500)	(2,000.00)
Dividend declared during the year (including tax thereon)	(14,782.62)	(9,855.07)
Balance at end of year	**121,440.48**	**104,107.24**

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.

Notes to Consolidated Financial Statements for the year ended 31st March, 2020

(All amounts in Indian Rupees, unless otherwise stated)

17. Non-current Borrowings

Particulars	As at 31st March, 2020	As at 31st March, 2019
Secured		
Vehicle loans	15.98	105.64
Total non-current borrowings	**15.98**	**105.64**

* Current maturities on long-term borrowings have been disclosed under the head Other current financial liabilities

Summary of borrowing arrangements

Vehicle Loans

Nature of Security & Terms of Repayment :

Vehicle loans are secured by hypothecation of respective vehicles. The loans are repayable in equal monthly installments as stipulated in the agreements with the lenders.

18. Other Financial Liabilities

Particulars	As at 31st March, 2020	As at 31st March, 2019
a. Non-Current		
Security deposits*	**374.50**	374.50
Total	**374.50**	**374.50**
b. Current		
Current maturities of Long term borrowings (refer note 16)		
vehicles loan	**89.59**	160.92
Unpaid dividend	**249.03**	180.28
Derivative financial instrument	**1,013.65**	26.04
Creditors for capital works	**30.85**	175.82
Total	**1,383.12**	**543.06**

*Security Deposits taken from dealers for supplying them shrimp feed on credit term. These deposits carry an interest of @ 9% per annum (31st March, 2019: 9% p.a.).

19. Provisions

Particulars	As at 31st March, 2020	As at 31st March, 2019
Provisions (refer note 42)		
Provision for gratuity	**202.38**	171.73
Provision for leave encashment	**192.12**	113.69
	394.50	**285.42**
a. Non-Current portion	**153.38**	167.74
b. Current portion	**241.12**	117.68
Total	**394.50**	**285.42**

Notes to Consolidated Financial Statements for the year ended 31st March, 2020

(All amounts in Indian Rupees, unless otherwise stated)

20. Other Liabilities

Particulars	As at 31st March, 2020	As at 31st March, 2019
a) Non-Current		
Unamortised government grants (refer note (i) and (ii) below)	**1,144.36**	1,335.34
	1,144.36	**1,335.34**
b) Current		
Advance from customers	**2,758.47**	2,503.11
Statutory dues	**187.57**	172.69
Total	**2,946.04**	**2,675.80**

Unamortised government grants includes

Investment subsidy of ₹ 500.00 Lakhs received from Andhra Pradesh Food Processing Society, Government of Andhra Pradesh for setting up of new shrimp processing unit at Yerravaram, East Godavari District, Andhra Pradesh. There are no unfulfilled conditions or other contingencies attaching to these grants. As these grants are in relation to property, plant and equipment and buildings, the same has been capitalised and amortised on a systematic basis over the useful life of respect assets. The carrying value of the grant as at 31st March, 2020 is ₹ 370.91 Lakhs (31st March, 2019: ₹ 421.01 Lakhs).

Waiver of duties of ₹ 1,130.52 Lakhs on import of or domestically sourced property, plant and equipment, availed under Export Promotion Capital Goods Scheme. There are no unfulfilled conditions or other contingencies attaching to these grants. As these grants are in relation to property, plant and equipment, the same has been capitalised and amortised over the useful life of respect assets. The carrying value of the grant as at 31st March, 2020 is ₹ 773.45 Lakhs (31st March, 2019: ₹ 914.32 Lakhs).

21. Current borrowings

	As at 31st March, 2020	As at 31st March, 2019
Secured:		
Working capital loan from State Bank of India	-	-
Working capital loan from Axis Bank	**0.02**	**667.14**
Total	**0.02**	**667.14**

Notes:

Working Capital Loan

Avanti Frozen Foods Private Limited

The working capital limits, sanctioned by State Bank of India and Axis Bank as at 31st March, 2020, are ₹ 8,000.00 Lakhs and ₹ 4,000.00 Lakhs, respectively (31st March, 2019: ₹ 8,000.00 Lakhs and ₹ 4,000.00 Lakhs, respectively).

The loans are secured by way of first charge on all chargeable current assets of the Company, fixed assets of shrimp processing Plants at Yerravaram and Gopalapuram, Andhra Pradesh and corporate guarantee of Avanti Feeds Limited. The working capital loans are repayable on demand and carries interest rate of LIBOR+55bps p.a. and LIBOR+50bps p.a. on pre-shipment credit in foreign currency from State Bank of India and Axis Bank, respectively. In case of cash credit facility the interest rates are 8.70% p.a. and 8.65% p.a. from State Bank of India and Axis Bank, respectively.

Note: Debit balance in cash credit accounts as at 31st March, 2020 and 31st March, 2019 have been grouped under the head "Cash and cash equivalents".

Notes to Consolidated Financial Statements for the year ended 31st March, 2020

(All amounts in Indian Rupees, unless otherwise stated)

Avanti Feeds Limited

The working capital limits, sanctioned by State Bank of India (SBI) and RaboBank as at 31st March, 2020, are ₹ 3,000.00 Lakhs and ₹2,000.00 Lakhs, respectively (31st March, 2019: ₹ 5,500.00 Lakhs and ₹ 2,000.00 Lakhs, respectively).

The loan from SBI is secured by first charge on all current assets, Collateral First charge on fixed assets of the company and personal guarantee of Sri A. Indra Kumar, Chairman and Managing Director of the Company. The loan is repayable on demand and carries interest @ 8.30% p.a.

The loan from Rabobank is secured by first charge on all current assets, Collateral First charge on fixed assets of the company. The loan is repayable on demand and carries interest @ 7.50% p.a.

Note: Note: Debit balance in cash credit accounts as at 31st March, 2020 and 31st March, 2019 have been grouped under the head "Cash and Cash Equivalents"

22. Trade Payables

	As at 31st March, 2020	As at 31st March, 2019
Dues to micro enterprises and small enterprises (Refer Note below)	**670.23**	886.87
Dues to creditors other than micro enterprises and small enterprises	**21,083.94**	17,104.02
	21,754.17	**17,990.89**

Dues to Micro and Small Enterprises

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

	As at 31st March, 2020	As at 31st March, 2019
Principal amount remaining unpaid to any supplier as at the end of the accounting year	**670.23**	885.87
Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	**-**	1.00
The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	**0.37**	-
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	**-**	1.00
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	**-**	1.00

Notes to Consolidated Financial Statements for the year ended 31st March, 2020

(All amounts in Indian Rupees, unless otherwise stated)

23. Income Taxes

(a) Deferred tax balance

For the year ended 31st March, 2019

	Opening balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing balance
Deferred tax liabilities / (assets) in relation to				
Depreciation & Amortization	1,975.33	(80.12)	-	1,895.21
Fair valuation of Investments	657.87	194.45	-	852.32
Fair valuation of derivative instruments	(22.63)	14.46	-	(8.17)
Provision for doubtful debts	-	(45.43)		(45.43)
MAT Credit Entitlement under Section 115JAA	-	(920.46)		(920.46)
Others	0.79	(0.16)		0.63
Total	**2,611.36**	**(837.26)**	**-**	**1,774.10**

For the year ended 31st March, 2020

	Opening balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing balance
Deferred tax liabilities / (assets) in relation to				
Depreciation & Amortization	1,895.21	(373.99)	-	1,521.22
Fair valuation of Investments	852.32	145.18	-	997.50
Fair valuation of derivative instruments	(8.17)	(346.04)	-	(354.21)
Provision for doubtful debts	(45.43)	(6.16)		(51.59)
MAT Credit Entitlement under Section 115JAA	(920.46)	(734.29)		(1,654.76)
Lease Liabilities	-	(14.95)		(14.95)
Others	0.63	10.28		10.94
Total	**1,774.10**	**(1,319.95)**	**-**	**454.15**

(b) Tax Assets

Particulars	As at 31st March, 2020	As at 31st March, 2019
Non - current tax assets (net of provision for tax)	1,731.60	2,297.56
Total	**1,731.60**	**2,297.56**

(c) Tax Expense recognised in Profit and Loss

Particulars	As at 31st March, 2020	As at 31st March, 2019
Current tax expense		
In respect of the current year	10,747.17	13,170.44
In respect of the earlier years	430.21	(189.79)
	11,177.38	**12,980.65**
Deferred tax expense		
In respect of the current year	(1,319.94)	(837.26)
	9,857.44	**12,143.39**

Notes to Consolidated Financial Statements for the year ended 31st March, 2020

(All amounts in Indian Rupees, unless otherwise stated)

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

Particulars	As at 31st March, 2020	As at 31st March, 2019
Profit before tax	48,385.81	42,805.38
Income tax expense	13,208.40	14,957.91
Weighted average deduction under u/s 35CCC	-	-
Deduction u/s 80IB of Income Tax Act (Refer note:1 below)	(3,071.55)	(1,618.76)
Exempt income	(604.94)	(534.56)
Deduction u/s 80IA (Refer note: 2 below)	-	(27.74)
14A disallowance	118.56	109.15
Expenses not deductible	35.16	(11.44)
Impact of opening deferred tax liability due to change in effective tax rate	-	(98.90)
Tax expense of earlier years	430.21	(189.79)
Interest on Income tax	4.93	8.91
Interest on MSMED	0.08	-
Opening DTL on impact of rate change	(471.98)	-
Corporate Social Responsibility & Donations	136.88	82.51
Tax impact on subsidiary profit subject to lower tax rate	-	(534.24)
Others	71.70	0.34
	9857.44	**12,143.39**

Note:

1. 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 31st March, 2020 is ₹ 3,071.55 Lakhs (previous year ₹ 1,618.76 Lakhs)
2. The Holding Company has exercised the option permitted u/s 115BAA of the Income tax Act, 1961 as per the Taxation Laws (Amendment) Ordinance, 2019. Whereas, the subsidiary company (Avanti Frozen Foods Private Limited) is considering to continue the existing tax rates which is advantageous to it. Accordingly, the income tax provision for the year ended 31st March, 2020 and deferred tax liability are recognized respectively.

24. Revenue from Operations

	For the Year Ended 31st March, 2020	For the Year Ended 31st March, 2019
Sale of Products		
Finished goods	403,738.07	342,457.73
Other operating revenue		
Government grant - Export incentives	7,791.08	6,320.22
Total	**411,529.15**	**348,777.95**

Notes to Consolidated Financial Statements for the year ended 31st March, 2020

(All amounts in Indian Rupees, unless otherwise stated)

25. Other Income (net)

	For the Year Ended 31st March, 2020	For the Year Ended 31st March, 2019
Interest on:		
Bank deposits	763.69	294.82
Bonds & Debentures	155.99	201.98
Others	67.23	37.64
Gain / (loss) on sale of mutual Fund	921.89	1,686.20
Other non-operating income	339.69	925.86
Fair value gain / (loss) on financial instruments measured at fair value through profit and loss	1,554.07	537.82
Exchange differences (net)	1,690.22	-
Fair value gain / (loss) on derivatives measured at fair value through profit and loss	(1,013.65)	(26.05)
Dividend income from investments mandatorily measured at fair value through profit or loss	2,353.37	1,537.27
Amortisation of government grant	190.97	187.19
Total	**7,023.47**	**5,382.73**

26. Cost of Materials Consumed

	For the Year Ended 31st March, 2020	For the Year Ended 31st March, 2019
Inventory at the beginning of the year	17,105.39	32,364.73
Add: Purchases	343,025.28	258,758.69
	360,130.67	**291,123.42**
Less: Inventory at the end of the year	30,193.99	17,105.39
Cost of materials consumed	**329,936.68**	**274,018.03**

27. Changes in inventories of finished goods and work-in-progress

	For the Year Ended 31st March, 2020	For the Year Ended 31st March, 2019
Closing Stock		
Finished goods	21,295.73	17,711.86
Work-in-progress	659.02	723.08
Total	**21,954.75**	**18,434.94**
Opening Stock		
Finished goods	17,711.86	17,249.48
Work-in-progress	723.08	860.90
Total inventories	**18,434.94**	**18,110.38**
Net (increase) / decrease	**(3,519.81)**	**(324.56)**

Notes to Consolidated Financial Statements for the year ended 31st March, 2020

(All amounts in Indian Rupees, unless otherwise stated)

28. Employee Benefits Expense

	For the Year Ended 31st March, 2020	For the Year Ended 31st March, 2019
Salaries, wages and bonus	10,420.40	9,232.24
Contribution to provident and other funds	583.00	501.90
Gratuity expense	132.51	109.64
Staff welfare expenses	215.58	188.51
Total	**11,351.49**	**10,032.29**

29. Depreciation and Amortisation Expense

	For the Year Ended 31st March, 2020	For the Year Ended 31st March, 2019
Depreciation of property, plant and equipment	3,661.28	3,578.08
Depreciation on ROU asset	102.66	-
Amortisation of intangible assets	6.73	5.79
Total	**3,770.67**	**3,583.87**

30. Finance Costs

	For the Year Ended 31st March, 2020	For the Year Ended 31st March, 2019
Interest expense		
- Interest on bank overdrafts and loans	74.78	104.99
- Interest on income tax	19.60	37.47
- Interest on leases	4.33	-
Other borrowing costs	100.08	120.21
Total	**198.79**	**262.67**

31. Other Expenses

	For the Year Ended 31st March, 2020	For the Year Ended 31st March, 2019
Rent (Refer Note (i))	312.51	319.02
Power and fuel	5,921.33	5,352.01
Repairs and maintenance;		
- Buildings	125.38	286.87
- Plant and machinery	427.33	380.88
- Others	16.86	22.49
Consumable stores	2,428.52	2,206.75
Other manufacturing expenses	6,241.43	5,111.29
Rates and taxes	192.48	198.42

Notes to Consolidated Financial Statements for the year ended 31st March, 2020

(All amounts in Indian Rupees, unless otherwise stated)

	For the Year Ended 31st March, 2020	For the Year Ended 31st March, 2019
Insurance	457.44	420.51
Electricity Charges	9.95	8.59
Vehicle maintenance	115.91	154.74
Travelling and conveyance	678.37	618.00
Communication expenses	55.34	74.27
Printing and stationery	55.45	51.85
Directors' Sitting Fee	41.20	24.64
Auditors Remuneration (refer note (ii))	52.47	52.47
Professional charges	171.78	202.14
Corporate Social Responsibility	1,281.78	498.70
Donations	264.99	17.00
Bank charges	239.48	228.80
Assets Written off	187.87	6.04
Advertisement	10.68	15.75
Carriage outward	923.38	431.94
Ocean freight and export expenses	3,586.30	3,075.40
Marketing expenses	2,859.10	2,155.96
Royalty	954.04	1,049.29
Loss on sale of Fixed Assets	7.16	25.53
Bad and doubtful debts written off	17.00	-
Allowance for bad and doubtful debts	-	156.01
Exchange Fluctuation (Net)	-	634.01
General expenses	734.64	547.77
Total	**28,370.17**	**24,327.41**

Notes:

i) Operating Leases

Lease payments made under operating leases aggregating to ₹ 312.51 Lakhs (31st March, 2019: ₹ 319.02 Lakhs) have been recognized as an expense in the Statement of Profit and Loss. The future minimum lease commitments under non-cancellable operating leases are Nil.

ii) Auditors' Remuneration Comprises of:

As Auditors	33.60	35.70
Tax Matters	6.71	4.13
Other Services	6.20	6.80
Reimbursement of expenses	5.96	6.11
Total	**52.47**	**52.74**

Notes to Consolidated Financial Statements for the year ended 31st March, 2020

(All amounts in Indian Rupees, unless otherwise stated)

32. Exceptional Items

	For the Year Ended 31st March, 2020	For the Year Ended 31st March, 2019
Income		
Anti Dumping duty	-	518.70
Total	**-**	**518.70**

The exceptional item of ₹ 518.70 Lakhs for the year ended 31st March, 2019 is refund of differential anti dumping duty (net of expenses) on final determination by the Department of Commerce, USA on the exports made by the company during the financial years from 2015-16 to 2016-17.

33. Fair Value Measurements

Financial instruments by category	31st March 2020		31st March 2019	
	Amortised Cost	FVPL	Amortised Cost	FVPL
Financial Assets				
Investments				
- in equity instruments (quoted)	-	1.27	-	2.81
- in equity instruments (unquoted)	3613.01	-	3255.90	-
- in mutual funds	-	47,230.90	-	48,386.77
- in Secured Bonds	-		2,609.27	
- Non Convertible debentures	-	17,202.51	2,121.12	6,641.53
Trade receivables	8,877.13	-	4,863.69	-
Cash and cash equivalents	1,590.30	-	5,806.21	-
Other bank Balances	18,306.37	-	12,924.28	-
Loans	218.18	-	193.63	-
Security deposits	764.49	-	695.79	-
Total Financial Assets	**30,369.48**	**64,434.68**	**32,469.64**	**55,031.11**
Financial Liabilities				
Borrowings	16.00	-	772.78	-
Current maturities of long term debt from banks	89.59	-	160.92	-
Security deposits	374.50		374.50	-
Lease Liabilities	50.86		-	
Unpaid dividends	249.03		180.28	
Trade payables	21,754.17	-	17,990.89	-
Derivative financial instrument	-	1,013.65	-	26.04
Capital creditors	30.85	-	175.82	-
Total Financial Liabilities	**22,565.00**	**1,013.65**	**19,655.19**	**26.04**

(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.

Notes to Consolidated Financial Statements for the year ended 31st March, 2020

(All amounts in Indian Rupees, unless otherwise stated)

The fair value of quoted equity investments, has been classified as Level 1 in the fair value hierarchy as the fair value has been determined on the basis of market value. The fair value of unquoted equity instruments has been classified as Level 2 in the fair value hierarchy as the fair value has been determined on the basis of discounted cash flows. The fair value of mutual funds is classified as Level 2 in the fair value hierarchy as the fair value has been determined on the basis of Net Assets Value (NAV) declared by the mutual fund. The fair value of Financial derivative contracts has been classified as Level 2 in the fair value hierarchy as the fair value has been determined on the basis of mark-to-market provided by the Bank from which the contract has been entered. The corresponding changes in fair value of investment is disclosed as 'Other Income'.

34. 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 Board of Directors. The Board provides guiding principles for overall risk management, as well as policies covering specific areas such as interest rate risk, credit risk and investment of excess liquidity.

Credit Risk

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.

Notes to Consolidated Financial Statements for the year ended 31st March, 2020

(All amounts in Indian Rupees, unless otherwise stated)

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

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

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

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

(ii) Provision for expected credit losses

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

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

Notes to Consolidated Financial Statements for the year ended 31st March, 2020

(All amounts in Indian Rupees, unless otherwise stated)

Expected credit losses for loans, deposits and other receivables, excluding trade receivables

Year Ended 31st March, 2020

Particulars	Asset Group	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses - Financial assets for which credit risk has not increased significantly since initial recognition	Loans	218.18	0%	-	218.18
	Security deposits	764.49	0%	-	764.49
	Freight reimburse-ment receivable	-			
	Other bank balances	18,306.37	0%	-	18,306.37

Year Ended 31st March, 2019

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	12,924.28	0%	-	12,924.28
	Loans	285.47	32%	91.84	193.63
	Security deposits	695.79	0%	-	695.79

Expected credit loss for trade receivables under simplified approach

Year ended 31st March, 2020

Ageing	Not due	1-90 days	91-180 days	181-365 days	More than 365 days	Total
Gross carrying amount	5,597.07	2,721.94	388.06	167.04	150.65	9,024.76
Expected loss rate	0%	0%	0%	0%	98%	2%
Expected credit loss	-	-	-	-	147.63	147.63
Carrying amount of trade receivables (net of impairment)	5,597.07	2,721.94	388.06	167.04	3.02	8,877.13

Year ended 31st March, 2019

Ageing	Not due	0-90 days	91-180 days	181-365 days	More than 365 days	Total
Gross carrying amount	3,126.66	1,669.96	34.61	23.03	165.45	5,019.71
Expected loss rate	0%	0%	0%	24.65%	90.87%	3.10%

Notes to Consolidated Financial Statements for the year ended 31st March, 2020

(All amounts in Indian Rupees, unless otherwise stated)

Expected credit loss	-	-	-	5.68	150.34	156.02
Carrying amount of trade receivables (net of impairment)	3,126.66	1,669.96	34.61	17.35	15.11	4,863.70

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					
31st March, 2020	Carrying amount	Total	0-1 year	1-2 years	2-5 years	More than 5 years
Borrowings	105.59	105.59	105.59	-	-	-
Trade payables	21,754.17	21,754.17	21,754.17	-	-	-
Derivative financial instrument	1,013.65	1,013.65	1,013.65	-	-	-
Security deposits	374.50	374.50	-	374.50	-	-
Capital creditors	30.85	30.85	30.85	-	-	-
	23,278.76	23,278.76	22,904.26	374.50	-	-

	Contractual cash flows					
31st March 2019	Carrying amount	Total	0-1 year	1-2 years	2-5 years	More than 5 years
Borrowings	933.70	933.70	933.70	-	-	-
Trade payables	17,990.89	17,990.89	17,990.89	-	-	-
Derivative financial instrument	26.04	26.04	26.04	-	-	-
Security deposits	374.50	374.50	-	374.50	-	-
Capital creditors	175.82	175.82	175.82	-	-	-
	19,500.95	**19,500.95**	**19,126.45**	**374.50**	**-**	**-**

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.

Notes to Consolidated Financial Statements for the year ended 31st March, 2020

(All amounts in Indian Rupees, unless otherwise stated)

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

	31st March 2020	31st March 2019
Variable rate borrowings	-	-
Total	-	-

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

	31st March 2020			31st March 2019		
	Weighted Average Interest rate%	Balance	% of total borrowings	Weighted Average Interest rate%	Balance	% of total borrowings
Financial Liabilities						
Long term borrowings		-	-		-	-
Current borrowings		-	-		-	-
		-	-		-	-

Sensitivity

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

	Weighted Average Interest rate%	Balance	% of total borrowings	Weighted Average Interest rate%	Balance	% of total borrowings
Interest rate - Increases by 100 basis points		-			-	
Interest rate - Decreases by 100 basis points		-			-	

Market Risk – Price Risk

The Group's investments in quoted equity securities is limited, there is no exposure to price risk.

Foreign Currency Risk

The Group is exposed to foreign exchange risk arising from foreign currency transactions, mainly in the nature of sales denominated in foreign currencies and other expenditures. As a policy, the Group does not hedge any of its exposure to foreign currency. The Group's exposure to foreign currency risk at the end of the reporting period are as follows:

	As at 31st March, 2020		As at 31st March, 2019	
	Amount in Foreign Currency	Amount in INR (Lakhs)	Amount in Foreign Currency	Amount in INR (Lakhs)
Trade and other payables				
USD	827,070	623.50	2,489,450	1,721.61
EURO	1,000	0.83	-	-
Working Capital loans				
USD	25	0.02	958,797	663
Balance in EEFC account				
USD	105	0.08	6,760,942	4,677
Advance to suppliers				
USD	537,514	405.21	117,625	81.36
EURO	-	-	-	-
Trade Receivables				

Notes to Consolidated Financial Statements for the year ended 31st March, 2020

(All amounts in Indian Rupees, unless otherwise stated)

USD	7,262,352	5,324.75	5,080,133	3,470.99
EURO	257,580	207.14	157,818	122.63
Derivatives outstanding				
Forward contracts				
To buy USD	257,560	207.50	1,259,750	882.88
To sell USD	33,316,639	23,273.15	8,390,553	5,779.44
Share application money pending allotment				
IDR	128,340,000	5.93	195,618,482	9.51
Net exposure	**102,511,378**	**(17,746.06)**	**197,155,950**	**1,079.74**

Sensitivity

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

	Impact on profit after tax and equity	
	As at 31st March, 2020	As at 31st March, 2019
Increase in USD rate by 1%	(179.59)	9.48
Decrease in USD rate by 1%	179.59	(9.48)

35. Capital Management

(a) Risk Management

The Group's objectives when managing capital are to:

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

> Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Group has been maintaining a steady dividend.

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

The gearing ratios were as follows:

	31st March, 2020	31st March, 2019
Net debt	105.59	933.70
Total equity	159,477.35	135,729.96
Net debt to equity ratio	**0%**	**1%**

(b) Dividends

	31st March, 2020	31st March, 2019
Equity Shares		
i) Final dividend for the year ended 31st March, 2019 of ₹ 4/- (31st March, 2018 ₹ 6/-) per fully paid share.	5,449.83	8,174.74
ii) Interim dividend for the year ended 31st March, 2020 of ₹ 5/- (31st March, 2019: NIL) per fully paid share.	6,812.28	-
iii) Dividends not recognised at the end of the reporting period		

Notes to Consolidated Financial Statements for the year ended 31st March, 2020

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iv) In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of ₹ 0.10 per fully paid equity share (31st March, 2019 – ₹ 4/-). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	136.25	5,449.83

36. Contingent Liabilities

	31st March 2020	31st March 2019
Demands raised by customs, service tax, sales tax, income tax and other authorities, being disputed by the Company *	90.04	90.04
Corporate guarantee given by Avanti Feeds Limited under a Multiple Banking Arrangement to SBI and Axis Bank in favour of loan taken by Avanti Frozen Foods Private Limited	15,000.00	15,000.00

* Details of demands raised by customs, service tax, sales tax, income tax and other authorities:

Name of the Statute	Nature of the Dues	Amount	Period to which the Amount Relates	Forum where Dispute is Pending
Madhya Pradesh VAT Act, 2002	Sales tax (MP VAT demand for soya transactions in 2005-06)	29.22	2005-06	High Court of Madhya Pradesh
Customs Act, 1962	Customs duty	60.82	2009 -2011 & 2011-2012	CESTAT, Chennai
		90.04		

i) The Company purchased soya bean in the year 2004-05, converted the same in to DOC in 2005-06 and used some part for own consumption in manufacturing of shrimp feed and some part was exported. The resultant soya oil was sold locally. The Commercial Tax Act pertaining to soya bean processing and soya oil sale was amended with effect from 13th December, 2004 and Commercial Tax department took the view that the soya bean purchased prior to 13th December, 2004 will attract tax at old rates and a demand to ₹ 29.22 Lakhs was raised. This is being contested by the Company in the High Court of Madhya Pradesh.

ii) Company is importing Squid Liver Powder (SLP) which is one of the raw materials for manufacturing of shrimp feed. SLP is imported by the Company under raw material classification. However, Customs has disputed our claim and demanding duty applicable for import of complete feed. Company appealed against the order of Commissioner of Customs (Appeals), Chennai before CESTAT, Chennai.

The Company is contesting the demands and the management, including its tax advisors, believe that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the company's financial position and results of operations.

iii) The Company has given corporate guarantee of ₹ 15,000 Lakhs as on 31st March, 2020 (₹ 11,506.00 Lakhs as on 31st March, 2019) to State Bank of India, Industrial Finance Branch, Somajiguda, Hyderabad and Axis Bank Limited, Begumpet, Hyderabad for loan facilities availed by Avanti Frozen Foods Private Limited.

37. The impact of COVID-19 is not significant on the financial performance of the Company for the quarter ended 31st March, 2020 and the Company opines that assessment of impact of COVID-19 on future is premature since the virus is still aggressive in India, not subsided elsewhere in the world and there is already effect of recession on global economy.

38. In November '19 The Income Tax Department, Hyderabad conducted Search / Survey, on the premises of the Company and since then the Dept. has been calling for information / records from time to time which the Company has been submitting. On the basis of preliminary information provided to the Dept., and on the advice of the tax consultants a provision for Income Tax amounting to ₹ 358 Lakhs has been made on estimation basis in the accounts. Actual amount will be determined only on completion of the Assessments.

Notes to Consolidated Financial Statements for the year ended 31st March, 2020

(All amounts in Indian Rupees, unless otherwise stated)

39. Commitments

Estimated amount of contracts remaining to be executed to the extent not provided for (net of advances) for ₹598.76 Lakhs (31st March, 2019 ₹ 327.87 Lakhs)

40. Earnings per Share

	31st March, 2020	31st March, 2019
Profit attributable to equity holders of parent entity	34,648.68	27,363.01
Net Profit for calculation of Basic and Diluted EPS (A)	34,648.68	27,363.01
Weighted average number of equity shares for Basic EPS (B) (nos.)	136,245,630	136,245,630
(a) Basic earnings per share (in INR) (A/B)	**25.43**	**20.08**

There is no dilution to the basic earnings per share as there are no dilutive potential equity shares.

41. Corporate Social Responsibility Expenditure

a) Expenditure related to CSR as per section 135 of companies act, 2013 read with schedule VII thereof, against the mandatory spend of ₹ 946.54 Lakhs

b) Amount spent during the year on:

Particulars	As at 31st March, 2020	As at 31st March, 2019
1. Construction / acquisition of any Asset	-	-
2. On purposes other than (1) above	1,281.78	498.70
Total	**1,281.78**	**498.70**

42. 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 are purchased from the farmers and are further processed and exported to various countries.

The Group had installed four wind mills of 3.2MW at Chitradurga, Karnataka. Power generated from wind mills is sold to BESCOM under Power Purchase agreement.

	Shrimp Feed		Shrimp Processing		Power		Unallocated		Total	
	Year Ended 31st March, 2020	Year Ended 31st March, 2019	Year Ended 31st March, 2020	Year Ended 31st March, 2019	Year Ended 31st March, 2020	Year Ended 31st March, 2019	Year Ended 31st March, 2020	Year Ended 31st March, 2019	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Revenue										
External Sales	**316,093.82**	273,706.27	**95,490.42**	75,251.99	**163.34**	136.07	-	-	**411,747.58**	349,094.33
Inter-segment sales	**(218.43)**	(316.38)							**(218.43)**	(316.38)
Total Revenue	**315,875.39**	273,389.89	**95,490.42**	75,251.99	**163.34**	136.07	-	-	**411,529.15**	348,777.95

Notes to Consolidated Financial Statements for the year ended 31st March, 2020

(All amounts in Indian Rupees, unless otherwise stated)

	Shrimp Feed		Shrimp Processing		Power		Unallocated		Total	
	Year Ended 31st March, 2020	Year Ended 31st March, 2019	Year Ended 31st March, 2020	Year Ended 31st March, 2019	Year Ended 31st March, 2020	Year Ended 31st March, 2019	Year Ended 31st March, 2020	Year Ended 31st March, 2019	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Segment Result										
Operating Profit	**31,802.65**	28,698.97	**9,778.97**	8,426.99	**38.33**	15.00			**41,619.95**	37,140.92
Share of Profit / (Loss) from Associates	-	-		-	**41.40**	25.71			**41.40**	25.71
Minority interest	-	-		-	-				-	-
Other Income	**390.59**	209.42	**999.29**	955.65	**1.80**	9.00	**5,631.80**	4,208.66	**7,023.47**	5,382.73
Interest Expense	**121.23**	124.58	**77.56**	138.09	-		-	-	**198.79**	262.67
Exceptional item	-	-	-	-	-		-	518.70	-	518.70
Income Tax - Current Tax	-	-	**1,855.93**	1,996.90	-		**9,321.45**	10,983.75	**11,177.38**	12,980.65
- Deferred Tax	-	-	**(1,038.31)**	(1,071.25)	-		**(281.63)**	233.98	**(1,319.94)**	(837.26)
Net Profit after tax	**32,072.01**	28,783.81	**9,883.07**	8,318.90	**81.53**	49.71	**(3,408.02)**	(6,490.36)	**38,628.59**	30,661.99
Other Information										
Segment Assets	**82,331.03**	58,412.79	**40,024.43**	35,856.79	**3,716.57**	3,722.88	**61,923.02**	63,489.39	**187,995.05**	161,481.85
Segment Liabilities	**19,412.50**	15,638.86	**4,697.94**	4,055.11	**31.25**	-	**4,376.01**	6,057.92	**28,517.70**	25,751.89
Capital Employed	**62,918.53**	42,773.93	**35,326.49**	31,801.68	**3,685.32**	3,722.88	**57,547.01**	57,431.47	**159,477.35**	135,729.96

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

	India		USA		Rest of the world	
	For the Year Ended		For the Year Ended		For the Year Ended	
	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019
Revenue	323,957.87	280,932.35	74,962.91	57,723.24	12,608.37	15,438.75
Location of assets	182,524.79	157,896.73	4,136.23	2,122.90	1,334.03	1,462.22
Additions to fixed assets	1,819.55	2,439.27	-	-	-	-

The Group does not have any individual customer that attributes to more than 10% of the revenue.

Notes to Consolidated Financial Statements for the year ended 31st March, 2020

(All amounts in Indian Rupees, unless otherwise stated)

43. Related Party Disclosures

1. Names of related parties and related party relationship:

Related parties with whom transactions have taken place during the year	
Key Managerial Personnel (KMP)	Sri A. Indra Kumar, Chairman and Managing Director
	Sri C. Ramachandra Rao, Joint Managing Director, Company Secretary and CFO
	Sri A. Nikhilesh Chowdary, Executive Director
	Sri A. Venkata Sanjeev - Executive Director (with effect from 8th August, 2019)
Relatives of Key Managerial Personnel	Sri A. Venkata Sanjeev
	Sri A. Nikilesh Chowdary
Entities having significant influence over the Company	Thai Union Group PCL, Thailand ("TUG")
	Tri-union Frozen Products Inc. (Chicken of the Sea Frozen Foods) (a subsidiary of TUG)
	Thai Union China Co. Ltd (a subsidiary of TUG)
	Thai Union Feed Mill Co. Ltd. (a subsidiary of TUG)
	Srinivasa Cystine Private Limited
Associate Companies	Srivathsa Power Projects Limited
	Patikari Power Private Limited
Entities over which KMP has significant influence	SCL Trading Private Limited
	Sanjeev Agro Vet Private Limited
	Sri Sai Srinivasa Agro Farms & Developers Private Limited
	Avanti Foundation-Trust
	A.V.R. Trust

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	
	March 31st, 2020	March 31st, 2019	March 31st, 2020	March 31st, 2019	March 31st, 2020	March 31st, 2019	March 31st, 2020	March 31st, 2019
Remuneration	3,409.40	2,939.30	-	-	-	-	-	-
Rent paid	2.16	3.37	-	-	2.55	2.55	-	-
Rent Received	-	-	1.20	1.20	0.48	0.49	0.07	-
Royalty paid	-		-		954.04	1,049.29	-	-
Dividend paid	1,613.28	1,075.34	-	-	5,159.68	2,031.29	381.17	254.12
Sale of products	-		-		33,713.24	29,444.89	-	-
Purchase of goods	-		-		39.07	76.14	-	-
Contribution towards Corporate Social Responsibility							883.95	156.76

Notes to Consolidated Financial Statements for the year ended 31st March, 2020

(All amounts in Indian Rupees, unless otherwise stated)

Year End Balance

Particulars	Key Management Personnel		Associate Companies		Entities having significant Influence over the company	
	As at		As at		As at	
	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019
Remuneration payable	**2,784.32**	2,343.15	**-**	-	**-**	-
Royalty					**199.32**	180.46
Investment	**-**	-	**3,187.88**	3,146.47	**-**	-
Trade Receivable	**-**	-	**-**	-	**1,022.42**	1,605.12
Advance for Purchases					**2.34**	1.11

44. Employee Benefits

(i) Leave Obligations

The leave obligations cover the group's liability 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:

	31st March, 2020	31st March, 2019
Current leave obligations expected to be settled within the next 12 months	**140.78**	65.19

(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 ₹ 420.37 Lakhs (31st March, 2019 ₹ 357.16 Lakhs)

(iii) Post Employment Benefit Obligation Gratuity

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

Balance sheet amounts-Gratuity

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

Notes to Consolidated Financial Statements for the year ended 31st March, 2020

(All amounts in Indian Rupees, unless otherwise stated)

	31st March, 2020			31st March, 2019		
	Present Value of Obligation	Fair Value of Plan Assets	Net Amount	Present Value of Obligation	Fair Value of Plan Assets	Net Amount
Opening balance	801.18	629.46	171.72	605.72	358.79	246.93
Current Service Cost	119.31	-	119.31	90.64	-	90.64
Past Service Cost	-	-	-	-	-	-
Interest expense / (income)	61.62	-	61.62	46.61	-	46.61
Interest income	-	48.41	(48.41)	-	27.60	(27.60)
Contributions	-	-	-	-	-	-
Total amount recognised in profit or loss	180.93	48.41	132.52	137.25	27.60	109.65
Remeasurements						
Return on plan assets, excluding amounts included in interest expense / (income)	-	2.92	(2.92)	-	6.82	(6.82)
(Gain) / loss from change in demographic assumptions	(1.23)	-	(1.23)	40.64	-	40.64
(Gain) / loss from change in financial assumptions	88.05	-	88.05	1.48	-	1.48
Experience (gains) / losses	16.31	-	16.31	26.94	-	26.94
Total amount recognised in other comprehensive income	103.13	2.92	100.21	69.06	6.82	62.24
Employer contributions	-	171.74	(171.74)	-	247.09	(247.09)
Benefit payments	30.07	30.07	-	(10.86)	(10.86)	-
Closing Balance	1,115.31	882.60	232.71	801.17	622.62	171.73

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

	31st March 2020	31st March 2019
Present value of funded obligations	1,115.31	801.17
Fair value of plan assets	882.60	629.44
Deficit of funded plan	232.71	171.73
Unfunded plans	-	-
Deficit of gratuity plan	232.71	171.73

(ii) Significant Estimates: Actuarial Assumptions

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

	31st March, 2020	31st March, 2019
Discount rate	6.75%	7.70%
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 (2006-08) Ult.

Notes to Consolidated Financial Statements for the year ended 31st March, 2020

(All amounts in Indian Rupees, unless otherwise stated)

(iii) Sensitivity Analysis

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

	Change in Assumption			Impact on defined benefit obligation				
				Increase in Assumption			Decrease in Assumption	
	31st March, 2020 (₹ in Lakhs)	31st March, 2019 (₹ in Lakhs)		31st March, 2020 (₹ in Lakhs)	31st March, 2019 (₹ in Lakhs)		31st March, 2020 (₹ in Lakhs)	31st March, 2019 (₹ in Lakhs)
Discount rate	1.00%	1.00%	Decrease to	91.28	71.66	Increase to	107.00	84.20
Attrition rate	50.00%	50.00%	Decrease to	50.19	29.02	Increase to	73.58	42.62
Salary escalation rate	1.00%	1.00%	Increase to	95.87	74.35	Decrease to	84.04	65.70

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:

	31st March, 2020	31st March, 2019
Funds managed by Life Insurance Corporation of India	882.60	629.44
Total	882.60	629.44

(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 underperform this yield, this will create a deficit. The Group's plan assets are insurer managed funds and are subject to less material risk.

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

(vi) Defined Benefit Liability and Employer Contributions

Expected contributions to post-employment benefit plans for the year ending 31st March, 2021 is ₹ 384.91 Lakhs

	Less than a year	Between 2-5 years	Between 6-10 years	More than 10 years
31st March, 2021				
Gratuity	130.42	292.35	470.57	1,432.60
Total	130.42	292.35	470.57	1,432.60

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

46. 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 31st March, 2020							
	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Avanti Feeds Limited	85.71%	120,308.16	74.94%	28,949.20	84.25%	(84.44)	74.92%	28,864.76
Subsidiaries								
Indian								
Avanti Frozen Foods Private Limited	20.42%	28,662.54	15.45%	5,969.86	9.44%	(9.46)	15.47%	5,960.39
Total		**148,970.70**		**34,919.06**		**(93.90)**		**34,825.15**
Minority Interests in all subsidiaries								
1 Avanti Frozen Foods Private Limited		19,108.49		3,979.91		(6.31)		3,973.60
Consolidated		**168,079.19**		**38,898.97**		**(100.21)**		**38,798.75**
Associates (Investment as per the equity method)								
Indian								
1 Srivathsa Power Projects Limited	1.45%	2,030.64	-0.26%	(98.99)	0.00%	0.51	-0.26%	(98.48)
2 Patikari Power Private Limited	0.82%	1,157.23	0.36%	140.40	0.51%	(0.51)	0.36%	139.89

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
2	Avanti Frozen Foods Private Limited	INR	1,001.67	46,769.30	52,468.90	4,697.93	9,901.90	95,490.43	10,767.39	817.63	9,949.76	-	60%

Part B: Associates

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies

(₹ in Lakhs)

Name of Associates	Srivathsa Power Projects Limited	Patikari Power Private Limited
1. Latest audited Balance Sheet Date	31st March, 2020	31st March, 2020
2. Shares of associates held by the company on the year end		
Number of shares	16,693,630	10,645,200
Amount of investment in Associates		
Extent of holding %	49.99%	25.89%
3. Description of how there is significant influence	Voting Power	Voting Power
4. Reason why the associate/ joint venture is not consolidated	Not applicable	Not applicable
5. Networth attributable to Shareholding as per latest Audited Balance Sheet	2,030.64	1,157.23
6. Profit/ (Loss) for the year		
i. Considered in Consolidation	(98.99)	140.40
ii. Not Considered in Consolidation	-	-

NOTICE

Notice is hereby given that the Twenty Seventh (27th) Annual General Meeting of the members of Avanti Feeds Limited (CIN:L16001AP1993PLC095778) will be held on Saturday, the 29th August, 2020 at 11:00 A.M. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

Ordinary Business:

1. To receive, consider and adopt:
   a. the Audited Financial Statements of the Company for the year ended 31st March, 2020, the Board's Report and the Report of the Auditors thereon.
   b. the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2020 and the Report of the Auditors thereon.
2. To confirm the payment of Interim Dividend of ₹ 5/- (Rupees Five only) per equity share of ₹ 1/- each fully paid and declare Final Dividend of ₹ 0.10 Ps (Ten paise only) per equity share of ₹ 1/- each fully paid, for the Financial Year 2019-20.
3. To appoint a Director in place of Mr. Bunluesak Sorajjakit, (DIN:02822828) who retires by rotation and, being eligible, offers himself for re-appointment.
4. 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.

By Order of the Board
For Avanti Feeds Limited

Place : Hyderabad
Date : 27th June, 2020

A. Indra Kumar
DIN: 00190168
Chairman & Managing Director

Notes

1. In view of continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated 5th May, 2020 read together with circulars dated 8th April, 2020 and 13th April, 2020 (collectively referred to as "MCA Circulars") permitted convening the Annual General Meeting ("AGM" / "Meeting") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without the physical presence of the members at a common venue. In accordance with the MCA Circulars, provisions of the Companies Act, 2013 ('the Act') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the AGM of the Company is being held through VC / OAVM, which does not require physical presence of members at common venue. The deemed venue for the AGM shall be the Registered Office of the Company at Visakhapatnam.
2. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a Proxy to attend and vote instead of himself and such Proxy need not be a member of the Company. Since this AGM is held pursuant to MCA Circulars, through VC / OAVM, the physical attendance of the members has been dispensed with. Accordingly, the facility of appointment of proxies by the members will not available for this AGM.
3. The relevant details pursuant to Regulation 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India in respect of Directors seeking re-appointment at this AGM is annexed.
4. 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 through e-voting. The said Resolution / Authorization shall be sent to the Scrutinizer by email through its registered email address to bhaskararaoandco@gmail.com with a copy marked to investors@avantifeeds.com.
5. Since the AGM will be held through VC / OAVM, the route map of the venue of the Meeting is not annexed hereto.
6. The Notice of AGM will be sent to the members whose name appears in the Register of members/ depositories as at closing hours of business on 24th July, 2020.
7. The Company has appointed M/s KFin Technologies Pvt Ltd, Registrars and Transfer Agents to provide Video Conferencing facility for this AGM.
8. Pursuant to Sec. 108 of the Companies Act, 2013 read with relevant Rules under the Act, the business set out in this Notice will be transacted

through electronic voting system and the Company is providing facility for voting by electronic means (i.e., remote e-voting). In addition to remote e-voting the company is providing e-voting facility at the AGM on 29th August, 2020. Instructions and other information relating to remote e-voting / e-voting forms part of this Notice.

9. Register of Members and Share Transfer Books of the Company shall remain closed from 24th August to 29th August, 2020 (both days inclusive) for annual closing and determining the entitlement of the shareholders for the Final Dividend for the year 2019-20, if declared, at the AGM.

10. If the Final Dividend as recommended by the Board of Directors is approved at the AGM, the payment of such dividend shall be made subject to deduction of tax at source, on or before 25th September, 2020 as under:

    a) To all those beneficial owners holding shares in electronic form, as per the beneficial ownership data as may be made available to the Company by National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) as of the close of the business hours on 21st August, 2020 and

    b) To all those members holding shares in physical form on or before at the close of business hours on 21st August, 2020.

11. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. 1st April, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company / KFin Technologies Pvt. Ltd. (in case of shares held in physical mode) and with depositories (in case of shares held in demat mode). A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to einward.ris@kfintech.com / investors@avantifeeds.com so as to reach on or before 14th August, 2020 by 05:00 P.M. IST. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e., No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to einward.ris@kfintech.com / investors@avantifeeds.com. The aforesaid declarations and documents need to be submitted by the shareholders so as to reach on 14th August, 2020 by 05:00 P.M. IST.

12. To ensure timely delivery of shareholders' communications and also credit of dividend through NECS or dividend warrants / payment instruments, members are requested to notify change of address, or particulars of their bank account, if changed, along with the 9 digit MICR / NECS details, (i) in case of shares held in demat form, to the respective Depository Participant and (ii) in case of shares held in physical form to Registrars and Transfer Agents of the Company i.e., KFin Technologies Private Limited, Hyderabad, so as to reach them on or before 14th August, 2020.

13. To avoid fraudulent transactions, the identity / signature of the members holding shares in electronic / demat form is verified with the specimen signatures furnished by NSDL / CDSL and that of members holding shares in physical form is verified as per the records with the Registrar and Transfer agents of the Company i.e., KFin Technologies Private Limited (Formerly Karvy Fintech Private Limited). Members are requested to keep the same updated.

14. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in.

15. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Sec.103 of the Act.

16. Members intend to claim dividends that remain unclaimed are requested to correspond with the Registrars and Transfer Agents of the Company

i.e., KFin Technologies Private Limited (Formerly Karvy Fintech Private Limited), as mentioned above, or at the Company's Corporate Office at G2, Concorde Apartments, No.6-3-658, Somajiguda, Hyderabad - 500082. Members are requested to note that dividends that are not claimed within Seven (7) years from the date of transfer to the Company's Unpaid Dividend account will be transferred to the Investor Education and Protection Fund (IEPF) as per Sec.124 of the Companies Act, 2013. Shares on which dividend remains unclaimed for Seven (7) consecutive years will be transferred to the IEPF as per Sec.124 of the Act and the applicable Rules.

17. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in Electronic Form are therefore requested to submit the PAN details to their Depository Participants with whom they are maintaining their demat account(s). Members holding shares in physical form can submit their PAN details to the Registrars and Transfer Agents of the Company. i.e., KFin Technologies Private Limited, Hyderabad.

18. Further, pursuant to SEBI Listing Regulations, effective from 1st April, 2019, requests for effecting transfer of equity shares of the Company in physical form shall not be processed unless the equity shares are held in dematerialized form with a Depository. This restriction shall not be applicable to the requests received for transmission or transposition of physical shares. Therefore, shareholders holding shares in physical form are requested to get their shares dematerialized at the earliest, to avoid any inconvenience in future for transferring those shares. For any clarification(s) on the dematerialization of shares, the shareholders are requested to contact Registrars and Transfer Agents of the Company i.e., KFin Technologies Private Limited or the Company at its Corporate Office.

19. The members whose names appear on the Register of Members / list of beneficial owners as of the closure of business hours on 21st August, 2020 at 05:00 P.M. are eligible to participate in remote e-voting on the resolutions set out in this notice.

20. The Companies (Management and Administration) Rules, 2015 Stipulate that the remote electronic voting period shall close at 5 P.M. on the date preceding the date of AGM. Accordingly, the remote e-voting period will commence at 9.00 A.M. (IST) on 25th August, 2020 and will end at 5.00 P.M. (IST) on 28th August, 2020.

21. The remote e-voting will not be allowed beyond the aforesaid period and time, and the remote e-voting module shall be disabled by KFin Technologies Private Limited (Formerly Karvy Fintech Private Limited), the agency engaged by the company to provide e-voting facility.

22. The member(s) who have cast their vote by remote e-voting may also participate in the meeting through VC / OAVM but shall not be entitled to cast their vote again.

23. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently.

24. The Company has appointed Sri V. Bhaskara Rao, Practising Company Secretary, Hyderabad to act as Scrutinizer to scrutinize remote e-voting process and e-voting at the AGM in a fair and transparent manner. The members desiring to vote through remote e-voting / e-voting at AGM are requested to refer to the detailed procedure given hereinafter.

25. The Scrutinizer after scrutinizing the votes cast at the meeting and through remote e-voting will not later than 48 hours of the conclusion of the meeting, make a consolidated Scrutinizer's Report and submit the same to Chairman. The results declared along with Scrutinizer's Report shall be placed on the website of the Company. The results shall simultaneously be communicated to stock exchanges where the shares of the Company are listed i.e., Bombay Stock Exchange and National Stock Exchange.

26. Subject to approval of the requisite number of votes, the Resolutions set out in this Notice for the AGM shall be deemed to be passed on the date of the meeting i.e., 29th August, 2020.

27. Members seeking any information or clarification on the accounts are requested to send in writing queries to the Company, by 21st August, 2020 through e-mail on investors@avantifeeds.com. Replies will be provided in respect of such written queries at the meeting.

Dispatch of Annual Report Through Electronic Mode

28. In compliance with the MCA Circulars and SEBI Circular dated 12th May, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depositories. Members may

note that the Notice and Annual Report 2019-20 will also be available on the Company's website www.avantifeeds.com, websites of the Stock Exchanges,i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of Company's Registrar and Transfer Agents, KFin Technologies Private Limited ("KFinTech") at https://evoting.karvy.com.

29. For receiving all communication (including Annual Report) from the Company electronically:

a) Members holding shares in physical mode and who have not registered / updated their email address with the Company are requested to register / update the same by writing to the RTA / Company with details of folio number and attaching a self-attested copy of PAN card to KFin Technologies Pvt Ltd. (KFinTech) at einward.ris@kfintech.com or to the Company at investors@avantifeeds.com.

b) Members holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participant.

c) Shareholders who have not registered their e-mail address or registered an incorrect email address and in consequence the Annual Report, Notice of AGM and e-voting notice could not be serviced, may also temporarily get their email address and mobile number provided with the Company's RTA, by clicking the link: https://ris.kfintech.com/email_registration/for sending the same. Alternatively, member may send signed copy of the request letter providing the e-mail address, mobile number, self-attested PAN copy along with client master copy (in case of electronic folio) / copy of share certificate (in case of physical folio) via e-mail at the e-mail id einward.ris@kfintech.com for obtaining the Annual Report and Notice of e-AGM.

d) In case a person has become a member of the Company after dispatch of AGM Notice, but on or before the cut-off date for e-voting, i.e., Friday 21st August, 2020, such person may obtain the User ID and Password from KFinTech by e-mail request on einward.ris@kfintech.com / rajeev.kr@kfintech.com.

30. All communications relating to shares are to be addressed to the Company's Registrars and Transfer Agents i.e., KFin Technologies Private Limited (Formerly Karvy Fintech Private Limited), Karvy Selenium Tower-B, Plot No. 31&32, Financial District, Gachibowli, Nanakramguda, Serilingampally, Hyderabad 500 032, Phone No.+91 040 67161524, e-Mail ID: einward.ris@kfintech.com, website: www.kfintech.com.

Procedure for Joining the AGM through VC / OAVM

31. The Company will provide VC / OAVM facility to its Members for participating at the AGM.

a) Members will be able to attend the AGM through VC / OAVM at https:// emeetings.kfintech.com by using their e-voting login credentials.

Members are requested to follow the procedure given below:

i. Launch internet browser (chrome/ firefox safari) by typing the URL: https://emeetings.kfintech.com.

ii. Enter the login credentials (i.e., User ID and password for e-voting).

iii. After logging in, click on "Video Conference" option.

iv. Then click on camera icon appearing against AGM event of Avanti Feeds Limited, to attend the Meeting.

b) Members who do not have User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the procedure given in the E-voting instructions.

c) Members who would like to express their views or ask questions during the AGM may register themselves by logging on to https://emeetings.kfintech.com and clicking on the 'Speaker Registration' option available on the screen after log in. The Speaker Registration will be open during Monday, 24th August, 2020 9.00 A.M. to Wednesday, 26th August, 2020 to 5.00 P.M. Only those members who are registered will be allowed to express their views or ask questions. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the AGM.

d) Members will be allowed to attend the AGM through VC / OAVM on first come, first served basis.

e) Facility to join the meeting shall be opened

thirty minutes before the scheduled time of the AGM and shall be kept open throughout the proceedings of the AGM.

f) Members who need assistance before or during the AGM, can contact KFinTech on meetings@kfintech.com or call on toll free numbers 1800-425-8998/1800-345-4001. Kindly quote your name, DP ID-Client ID / Folio no. and E-voting Event Number in all your communications.

32. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will been entitled to vote at the AGM.

33. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM.

34. Instructions for e-voting are as follows:

A. Voting through Electronic Means

In terms of the provisions of Sec. 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended (hereinafter called 'the Rules' for the purpose of this section of the Notice) and Regulation 44 of the Listing Regulations, the Company is providing remote e-voting facility to exercise votes on the items of business given in the Notice through electronic voting system, to members holding shares as on 21st August, 2020 (end of day), being the cut-off date fixed for determining voting rights of members, entitled to participate in the remote e-voting process, through the e-voting platform provided by KFin Technologies Pvt. Ltd., (KFinTech) or to vote at the e-AGM. Person who is not a member as on the cut-off date should treat this Notice for information purposes only.

The details of the process and manner for remote e-voting are given below:

B. Procedure for Remote e-voting

I. The Company has engaged the services of KFin Technologies Private Limited (Formerly Karvy Fintech Private Limited) as agency to provide e-voting facility for AGM. The instructions for remote e-voting are as under:

Members receiving an e-mail from KFinTech are requested to:

(i) Launch an internet browser and open https://evoting.karvy.com

(ii) Enter the login credentials (i.e., User ID and password). The Event No. + Folio No. or DP ID-Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.

(iii) After entering the above details click on - Login.

(iv) Password change menu will appear. Change the Password with a new Password of your choice. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,$,etc.) The system will also prompt you to update your contact details like mobile number, email 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.

(v) On successful login, the system will prompt you to select the E-Voting Event.

(vi) Select the EVENT of Avanti Feeds Limited and click on - Submit.

(vii) Now you are ready for e-voting as 'Cast Vote' page opens.

(viii) Cast your vote by selecting appropriate option and click on 'Submit'. Click on 'OK' when prompted.

(ix) Upon confirmation, the message 'Vote cast successfully' will be displayed.

(x) Once you have voted on the resolution, you will not be allowed to modify your vote.

(xi) Institutional shareholders (i.e., other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF / JPG Format) of the relevant Board Resolution / Authority Letter, along with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer by an e-mail at bhaskararaoandco@gmail.com with a copy to investors@avantifeeds.com. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name EVENT NO."

II. In case of any queries, you may refer to the 'Frequently Asked Questions' (FAQs)

and 'e-voting user manual' available in the downloads section of KFinTech e-voting website https://evoting.karvy.com. If you are already registered with KFinTech for e-voting then you can use your existing User ID and Password for casting vote.

III. Members who have acquired shares after the sending of the Annual Report and before the share transfer books are closed may approach KFinTech for issuance of the User ID and Password for exercising their right to vote by electronic means.

a. If the mobile number of the member is registered against Folio No. / DP ID Client ID, the member may send SMS: MYEPWD <space> Event number+Folio No. or DP ID Client ID to 9212993399

Example for NSDL : MYEPWD <SPACE> In12345612345678

Example for CDSL : MYEPWD <SPACE> 1402345612345678

Example for Physical : MYEPWD <SPACE> XXX1234567

b. If e-mail or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of https://evoting.karvy.com, the member may click "forgot password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

c. Member may call KFinTech toll free number 18003454001.

d. Member may send an e-mail request to evoting@karvy.com

C. Voting at e-AGM

i. Only those members / shareholders, who will be present in the e-AGM through video conferencing facility and have not cast their vote through remote e-voting & are otherwise not barred from doing so are eligible to vote through e-voting in the e-AGM.

ii. However, members who have voted through remote e-voting will be eligible to attend the e-AGM.

iii. Members attending the e-AGM shall be counted for the purpose of reckoning the quorum under Sec.103 of the Act.

iv. Upon declaration by the Chairman about the commencement of e-voting at e-AGM, members shall click on the thumb sign on the left hand bottom corner of the video screen for voting at the e-AGM, which will take them to the 'Instapoll' page.

v. Members to click on the 'Instapoll' icon to reach the resolution page and follow the instructions to vote on the resolutions.

D. Instructions for Members for Attending the e-AGM

i. Members will be able to attend the e-AGM through VC / OAVM provided by KFinTech at https://emeetings.kfintech.com by clicking on the tab "video conference" and using their remote e-voting login credentials. The link for e-AGM will be available in members login where the EVENT and the name of the Company can be selected. Members who do not have User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned under heading A above.

ii. Members are encouraged to join the meeting through Laptops with Google Chrome for better experience.

iii. Further, members will be required to allow camera, if any, and hence use internet with a good speed to avoid any disturbance during the meeting.

iv. While all efforts would be made to make the VC / OAVM meeting smooth, participants connecting through mobile devices, tablets, laptops etc. may at times experience audio/video loss due to fluctuation in their respective networks. Use of a stable Wi-Fi or LAN connection can mitigate some of the technical glitches.

v. Members, who would like to express their views or ask questions during the e-AGM will have to register themselves as a speaker by visiting the URL https://emeetings.kfintech.com/and clicking on the tab "Speaker Registration" during the period starting from 24th August, 2020 (9.00 A.M.) upto 26th August, 2020 (5.00 P.M.). Only those members who have registered themselves as a speaker will be allowed to express their views/ ask questions during the e-AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the e-AGM. Please note that only questions of the members holding the shares as on cut-off date will be considered.

vi. A video guide assisting the members attending e-AGM either as a speaker or participant is available for quick reference at URL https://emeetings.kfintech.com.

vii. Members who need technical assistance before or during the Twenty Seventh (27th) e-AGM can contact KFinTech at emeetings@kfintech.com or Helpline: 1800 3454001.

E. General Instructions

i. The Board of Directors has appointed Sri V. Bhaskara Rao, Practising Company Secretary, Hyderabad as the Scrutinizer to Scrutinize the e-voting process and voting at the e-AGM in a fair and transparent manner.

ii. The Chairman shall formally propose to the members participating through VC / OAVM facility to vote on the resolutions as set out in the Notice of the Twenty Seventh e-AGM and announce the start of the casting of vote through the e-voting system of KFinTech.

iii. The Scrutinizer shall, immediately after the conclusion of voting at the e-AGM, first count the votes cast at the meeting, thereafter unblock the votes through remote e-voting in the presence of at least two witnesses, not in the employment of the Company and make a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman of the Company, who shall countersign the same.

iv. The Scrutinizer shall submit his report to the Chairman and Managing Director or Joint Managing Director of the Company, who shall declare the result of the voting. The results declared along with the scrutinizer's report shall be placed on the Company's website www.avantifeeds.com and on the website of KFinTech https://evoting.karvy.com and shall also be communicated to the stock exchanges. The resolutions shall be deemed to be passed at the AGM of the Company.

v. The voting results declared along with the Scrutinizer's Report will be placed on the company's website www.avantifeeds.com and on the website of KFin Technologies Private Limited immediately after the declaration of the results by the Chairman and Managing Director or Joint Managing Director. The results will also be immediately forwarded to the BSE Ltd. and National Stock Exchange of India Ltd.

By Order of the Board
For Avanti Feeds Limited

A. Indra Kumar
DIN: 00190168
Chairman & Managing Director

Place : Hyderabad
Date : 27th June, 2020

Annexure

Details of the Directors retiring by rotation and seeking re-appointment at the Annual General Meeting pursuant to (i) Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India are as under:

A. Details of Directors retiring by rotation and seeking re-appointment:

(i) Mr. Bunluesak Sorajjakit and (ii) Sri N. Ram Prasad

Name of the Director	Mr. Bunluesak Sorajjakit	Sri N. Ram Prasad
Director Identification No.	02822828	00145558
Date of Birth	9th February, 1961	2nd March, 1956
Age (Years)	59	64
Qualification	Bachelor Degree of Production Technology, King Mongkut's Institute of Technology, Ladkrabang.	MS (Chemical Engineering) from Case Western Reserve University, USA.
Experience (including expertise in specific functional area) / Brief Resume	He is the Chief Executive Officer of Thai Union Feed Mill PCL, Thailand. He is a Technocrat and instrumental in bringing in changes in shrimp farming methods and feed marketing methods.	He is MS (Chemical Engineering) with vast industrial and management experience.
Terms and Conditions of Re-appointment	Non-Executive Director, liable to retire by rotation.	Non-Executive Director, liable to retire by rotation.
Remuneration proposed to be paid (including sitting fees if any)	Sitting fees as disclosed in report on corporate governance forming part of the Annual Report for the FY 2019-20.	Sitting fees as disclosed in report on corporate governance forming part of the Annual Report for the FY 2019-20.
Date of first appointment on the Board	30th January, 2010	7th April, 1993
Shareholding in the Company as on 31st March, 2020	Nil	229701 equity shares of ₹ 1/- each.
Relationship with other Directors / Key Managerial Personnel	Not related to any Director / Key Managerial Personnel.	He is the spouse of Sri A. Indra Kumar's sister.
Number of meetings of the Board attended during the financial year (2019-20)	3	6
Directorships of other Boards as on 31st March, 2020	a) Thai Union Feedmill PCL. b) TCM Fishery Co. Ltd. c) TMAC Co. Ltd. d) Thai Union Hatchery Co. Ltd. e) TMK Farm Co. Ltd. f) Avanti Frozen Foods Private Limited g) PT. Thai Union Kharisma Lestari PTE Ltd.	a) SE Gases Private Limited. b) Srinivasa Cystine Private Limited. c) Pumps India Private Limited. d) Southern Electrodes Limited.
Membership / Chairmanship of Committees of other Boards as on 31st March, 2020	Nil	Nil

By Order of the Board
For Avanti Feeds Limited

Place : Hyderabad
Date : 27th June, 2020

A. Indra Kumar
DIN: 00190168
Chairman & Managing Director

Avanti
Feeds Limited

Registered Office

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

Corporate Office

G-2,Concorde Apartments, 6-3-658
Somajiguda Hyderabad-500082.
Ph: 040-23310260, 23310261
Fax: 040-23311604
E-mail: avantiho@avantifeeds.com

Website: www.avantifeeds.com

Form No. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2020

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

SECRETARIAL AUDIT REPORT

To
The Members of
Avanti Frozen Foods Private Limited
CIN: U05000AP2015PTC096509
Flat No. 103, Ground Floor,
"R" Square Pandurangapuram,
Vishakhapatnam, AP-530003

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Avanti Frozen Foods Private Limited (Subsidiary Company of a Listed Company i.e. Avanti Feeds Limited)** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit. We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31.03.2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Avanti Frozen Foods Private Limited** ("the Company") for the financial year ended on 31.03.2020, according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) Other applicable Acts

(a) Factories Act, 1948
(b) Industrial Disputes Act,1947
(c) The Payment of Wages Act, 1936
(d) The Minimum Wages Act,1948
(e) Employee State Insurance Act, 1948
(f) Employees Provident Funds and Miscellaneous Provisions Act, 1952
(g) The Payment of Bonus Act, 1965
(h) The Payment of Gratuity Act, 1972
(i) The Contract Labour (Regulation & Abolition) Act, 1970
(j) The Maternity Benefit Act,1961
(k) The Child Labour(Prohibition & Regulation) Act, 1986
(l) The Industrial Employment (Standing Order) Act, 1946
(m) The Employee Compensation Act, 1923
(n) The Apprentices Act, 1961
(o) Equal Remuneration Act, 1976
(p) The Employment Exchange (Compulsory Notification of Vacancies) Act, 1956
(q) Customs Act, 1962
(r) Shops and Establishment Act, 1988
(s) The water (Prevention and control of pollution) Act 1974
(t) The Air (Prevention and control of pollution) Act 1981
(u) The Environment Protection Act, 1986 and rules made there under
(v) The Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013
(w) Hazardous Waste (Management and Handling and transboundary Movement) Rules, 2008
(x) Food Safety and Standards Act, 2006
(y) Biological Diversity Act, 2002

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

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

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

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

The decisions at the Board Meetings are carried out unanimously and there were no members dissenting the resolution(s) during the year under review.

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

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

V.Bhaskara Rao and Co
Company Secretaries

V.Bhaskara Rao
Proprietor
FCS No.5939, CP No.4182
UDIN: **F005939B000389872**

Place: Hyderabad
Date: 27.06.2020

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

'ANNEXURE A'

To,
The Members of
Avanti Frozen Foods Private Limited
CIN: U05000AP2015PTC096509
Flat No. 103, Ground Floor,
"R" Square Pandurangapuram,
Vishakhapatnam, AP-530003

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company

V.Bhaskara Rao and Co
Company Secretaries

V.Bhaskara Rao
Proprietor
FCS No.5939, CP No.4182
UDIN: **F005939B000389872**

Place: Hyderabad
Date : 27.06.2020