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CIN: L15490AP2012PLC080067

Date: 31st August, 2021

To
The General Manager,
Department of Corporate Services,
Bombay Stock Exchange Limited,
PhirozeJeejeebhoy Towers,
Dalal Street, Mumbai- 400001.
Scrip Code : 540692

To
The General Manager,
Listing Department,
National Stock Exchange of India Limited
Exchange Plaza, Plot No C/1, G Block,
BandraKurla Complex,
Bandra (East), Mumbai - 400 051.
Scrip Symbol : APEX

Dear Sir,

Sub: Submission of Notice of 9th Annual General Meeting & Annual Report for FY 2020-21

Ref: Regulation 30 and Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

We wish to inform you that the 9th Annual General Meeting ("AGM") of the APEX FROZEN FOODS LIMITED ("Company") will be held on **Wednesday, 22nd day of September 2021 at 9.00 A.M.** through video conferencing ('VC') / other audio visual means ('OAVM'), without physical presence of the members at a common venue, in compliance with the provisions of the Companies Act, 2013, (the 'Act') MCA circulars dated 5th May, 2020 read with circulars dated 8th April, 2020, 13th April, 2020, and 13th January, 2021 (collectively referred to as 'MCA Circulars') and SEBI circular dated 12th May, 2020 and 15th January, 2021 (collectively referred to as 'SEBI Circulars')

In terms of the provisions of Regulation 30 and Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Annual Report of for the Financial Year 2020-21 ("Annual Report") along with the Notice of the 9th Annual General Meeting is enclosed herewith.

The Annual Report including Notice of AGM is also uploaded on the Company's website and can be accessed at <http://apexfrozenfoods.in/investors/>

Further, in accordance with the aforesaid MCA Circulars and said SEBI Circular, the Notice of the AGM along with the Annual Report is being sent only by electronic mode to those Shareholders whose email addresses are registered with the Company/ Depository Participants. The Annual Report together with the Notice of the AGM is being dispatched to the Shareholders today.

Kindly take the above information on record.

Thanking you,
for **Apex Frozen Foods Limited**



S.Sarojini
Company secretary & compliance officer

Encl: As above



9TH ANNUAL
REPORT
2020 - 21



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Company Overview

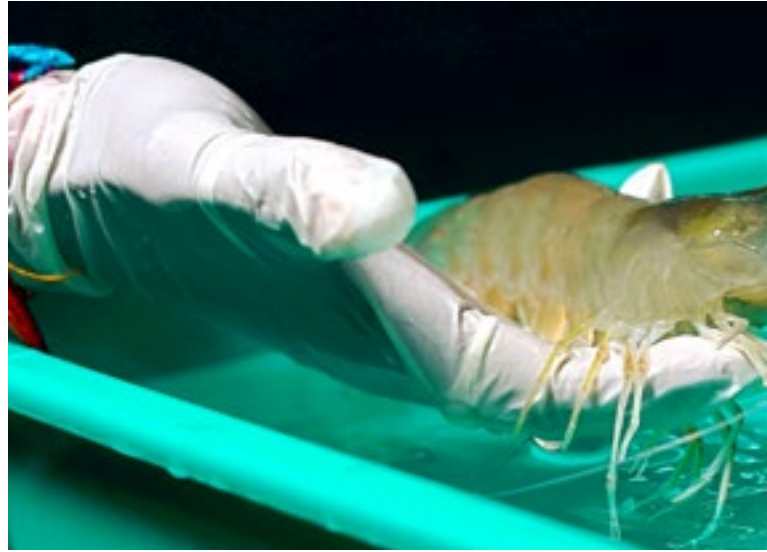
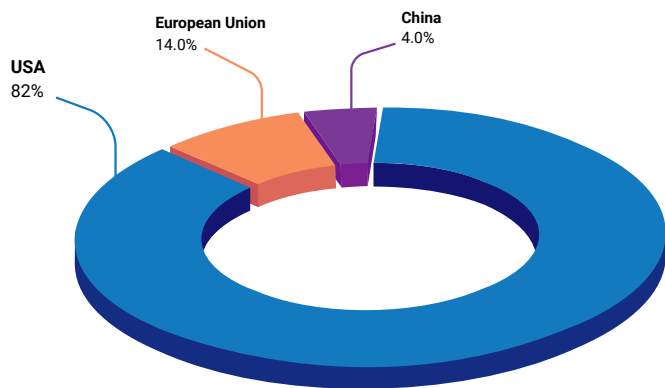
Apex Frozen Foods, which began its operations in 1995, has grown to become one of India's leading producers and exporters of processed shrimp. Starting as a processor of shrimp, the Company has made continuous investments to morph into an integrated player with a strong presence across key areas of the value chain. The strategic focus on backward integration and value addition in product offering has helped the Company cement place with its customers as a premier supplier of high-quality shrimp.

With a combined breeding capacity of 1.2 to 1.4 billion specific pathogen free (SPF) seeds in its hatcheries; close to 29,000 MTPA of owned processing capacity and about 3,500 MT of cold storage capacity, the Company is a well-integrated player with presence across key areas of the shrimp-processing value chain.

The Company has also worked hard in developing strong processes and systems to ensure that the finished product complies with the stringent quality standards that are set by the markets that it operates in. It also focuses on R&D to make sure that its products meet the evolving requirements of its end customers.

The Company today, prides itself in delivering high-quality shrimp to a wide array of customers such as Food Companies, Retail Chains, Restaurants, Club Stores and Distributors spread across multiple geographies in the USA, European Union and China.

Key Export Markets - Fiscal 2021





Product Offering - Moving up the Value Chain

The majority of exports comprise variants of processed White-leg shrimp (L. Vannamei) and Black Tiger shrimp (P. Monodon) in frozen form. These are mostly sold under the brands owned by the customers and through the Company's own brands namely **Bay Fresh, Bay Harvest and Bay Premium.**

Recently forayed into value-added
Ready-to-Eat products
with the onset of the new Processing Unit



Base product

- Head On, Whole
- Easy Peel
- Headless, Shell-on



Peeled Product

- Peeled, Deveined, Tail-on
- Peeled, Deveined, Tail-off
- Peeled Un-deveined, Tail-on
- Peeled, Un-deveined
- Peeled and Deveined



Specialty Product

- Butterfly
- Seasoned
- Skewered



Ready-to-Eat (RTE)

- Cooked Peeled & Deveined, Tail-on
- Shrimp Rings
- Cooked in Shell
- Dusted and Breaded
- Par-fried





Shrimp Processing

Capacity of 29,240 MTPA across **two processing** plants

Supported by pre-processing facilities and cold storage capacity of 3,500 MTPA



Shrimp Seed - Hatchery

Capacity of 1.2 to 1.4 billion SPF seed across three hatcheries

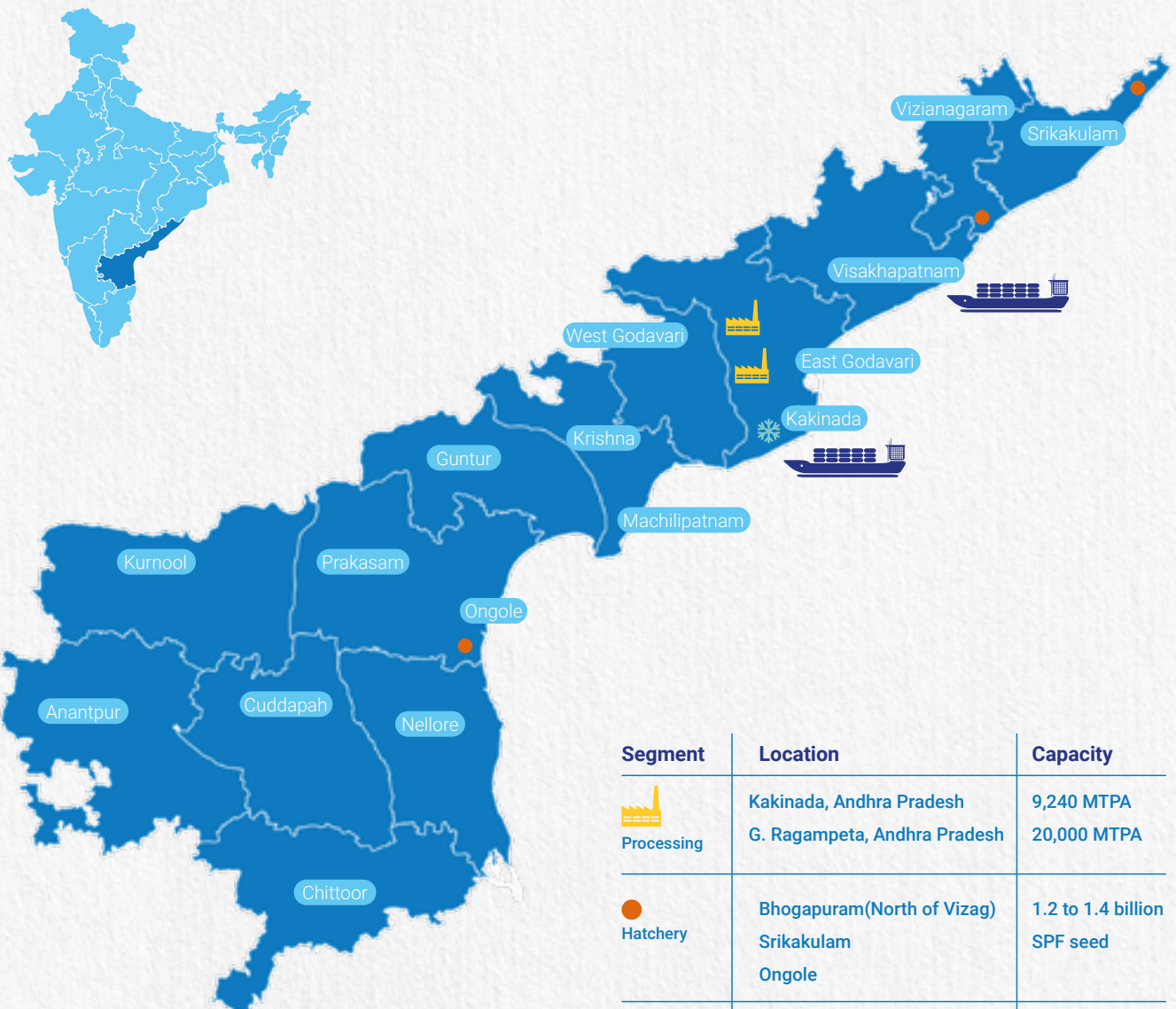


Manufacturing Facilities – Strategically Located



Andhra Pradesh accounts for
~60-65%
of the total shrimp farming in India

Our facilities are in proximity to one another, enabling
smooth transition
of products to the next stage



Our processing plants are located close to key ports
(almost 150 kms from Vishakapatnam Port and almost 20 kms from Kakinada Port)

KEY MILESTONES IN OUR JOURNEY SO FAR



2004



Set up our own processing facility at Kakinada.

Started exports to USA.



2007-12



Received certifications from multiple agencies on processes and quality

Recognised as a star export house by DGFT.

Converted into a Pvt. Ltd. Co. named Apex Frozen Foods Pvt. Ltd.

1995



Commenced business operations as a partnership firm named "Apex Exports".

2006



Started exports to EU.

Expanded pre-processing at Kakinada for Value Added Products (VAP).



2015 -17



Set up a pre-processing unit at Tallarevu to enhance production of Value Added Products (VAP).

Farming of shrimp in over 1,500 acres of land.

IPO and Listing on BSE & NSE in Sep 17

2020-21



Successfully launched high value-added 'Ready-to-Eat' products from the new processing plant

Hatchery expansion at Ongole by constructing a second unit; awaiting commissioning

Completed the consolidation of farming operations

2018-20



Added two new Hatcheries in Andhra Pradesh

In Mar'20, commercial operations began at the new Processing Plant, taking the total capacity to 29,240 MTPA (owned)

Expanded presence in China market



2013-14



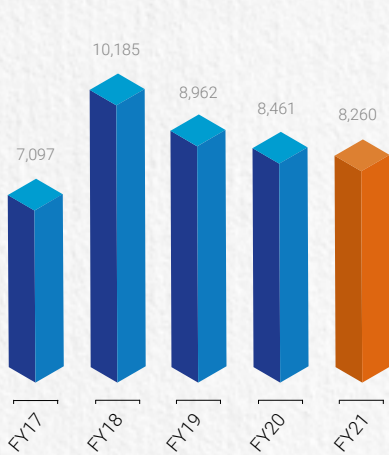
Started in-house farming.

Initiated hatchery operations and enhanced processing capacity.

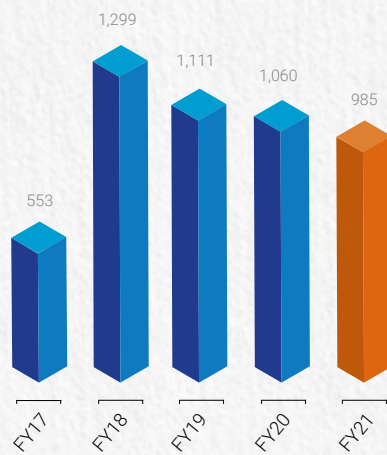


Key Performance Indicators

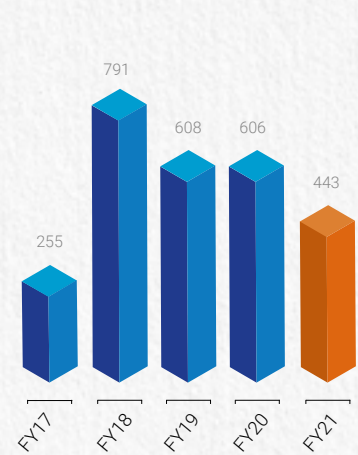
Total Income (Rs mn)



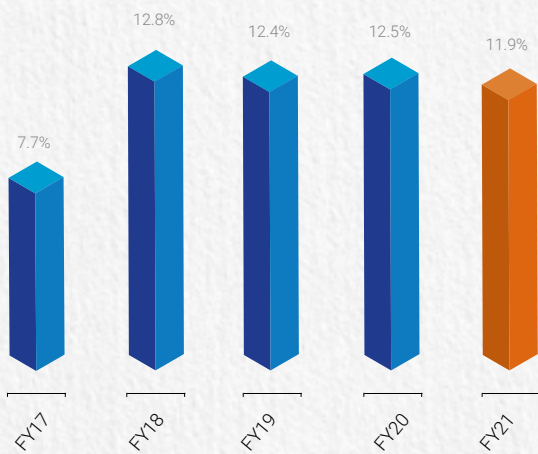
EBITDA (Rs mn)



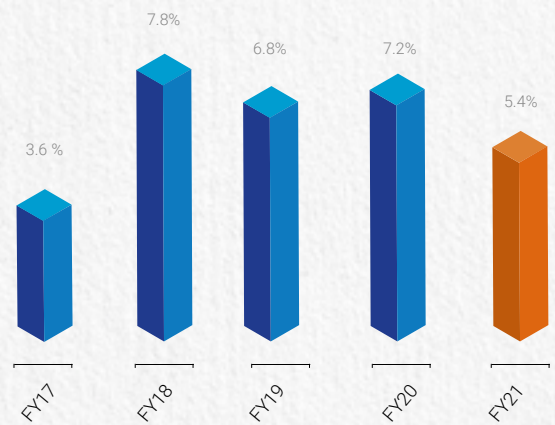
Profit After Tax (Rs mn)



EBITDA Margin (%)

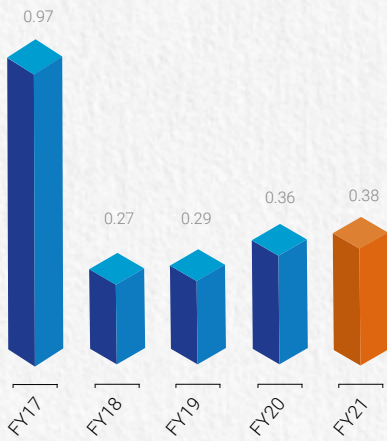


PAT Margin (%)

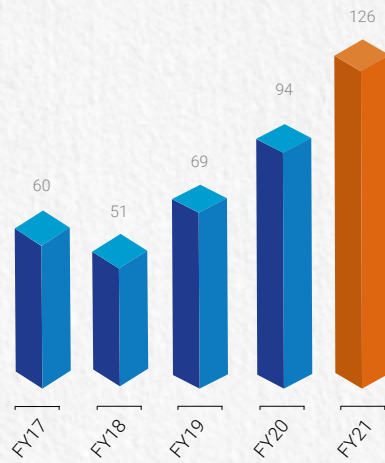




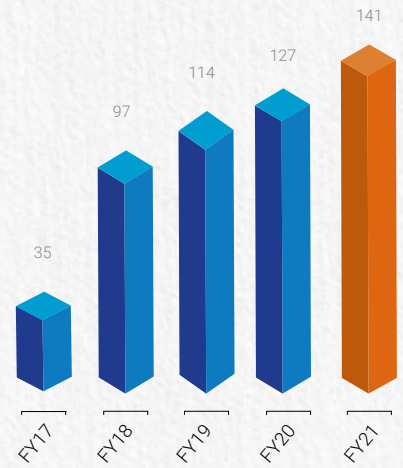
Net Debt/Equity (times)



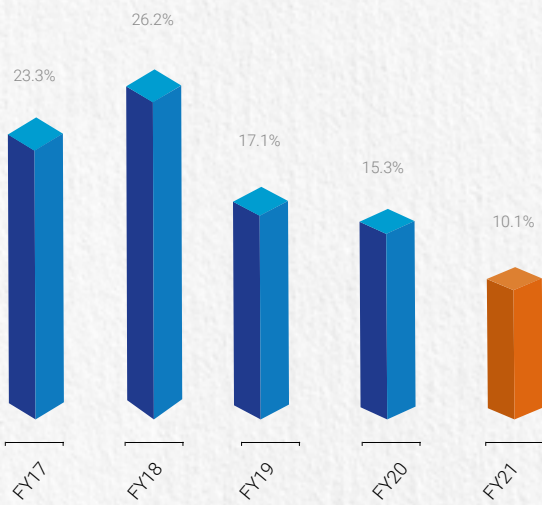
Working Capital (days)



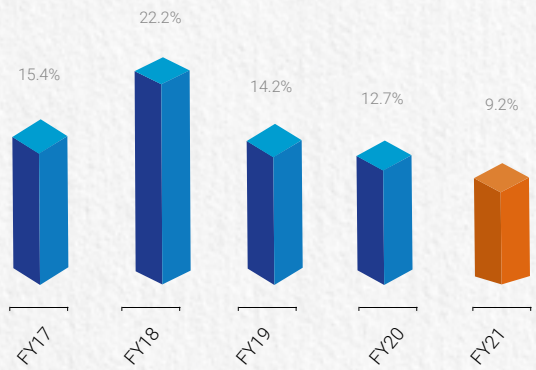
Book Value (Rs/share)



Return on Network (%)



Return on Capital Employed (%)





“We are now in a stronger position than ever before to capitalize on the vast opportunities from our customer markets, as they slowly begin returning to normalcy”



The Chairman's Message

Dear Shareholders,

The Fiscal 2021 has been a year of upheaval across the globe with the limits of our endurance getting tested with the first wave and subsequently the second wave of Covid-19. At Apex, we are proud of the support received from our People, our Partners, and our Customers to help tide over the challenging times. It is said that “Never waste a crisis” and we have endeavored to strengthen our operations, financials, and prospects during this global crisis by calibrating our efforts on continuing operations while adhering to local, national, and global SOPs.

Industry trends

The global pandemic threw several sectors out of gear and adversely impacted aquaculture production as well as demand across the globe. In India, with the lockdown beginning in April, it coincided with the harvesting season that generates an estimated 2/3rd of India's annual shrimp production. For farmed and processed shrimp, lockdowns and closed restaurants, especially in the Western countries, have been the major challenge. Added to this were disruptions to the global marine transport ecosystem, sporadic challenges on availability of migrant labor and the unwinding of export benefits given to the sector by the Government of India.

While there was demand disruption from our key markets of USA and EU, retail demand in these markets continued to grow as

household consumption increased during the lockdown. These factors notwithstanding, we firmly believe that the fundamentals of the Indian Shrimp Industry continue to be strong, and we are hopeful for a strong growth trajectory, the offshoots of which are already visible.

Well-calibrated Operations

We began the new year by welcoming the commercial production at our new 20,000 MTPA facility for Shrimp Processing located at G. Ragampeta in Andhra Pradesh. With this, our strategy of keeping the entire production on owned facilities is now complete and has achieved stable production. Of the 20,000 MTPA capacity at the new plant, 5,000 MTPA is towards Ready-to-Eat, a new product line for us, which has already been received well by our customers.

Our new hatchery at Ongole is completed and commercial production will start post audits and certain regulatory approvals. With this, we currently have a combined breeding capacity of ~1.2 to 1.4 billion SPF seed for captive consumption as well as outside sales. In-line with its strategic realignment, the Company has discontinued its leased farms and will continue to procure the required produce directly from farmers.

Our product mix in Fiscal 2021 improved further with the RTE segment, which is retail focused, and continued to gain over the bulk segment. Shrimp prices in Fiscal 2021 saw a positive





trend and remained firm throughout the year. As a result, Net Revenue in Fiscal 2021 de-grew by a marginal 1% Y-o-Y despite almost 4% Y-o-Y drop in volumes sold and reduction-cum-discontinuation of MEIS benefit (~5% of FOB).

Our efforts at cost rationalization continued during the pandemic and we believe that we have implemented some long-lasting cost-saving measures in our Company.

With this, we are now in a stronger position than ever before to capitalize on the vast opportunities from our customer markets, as they slowly begin returning to normalcy.

The Road Ahead:

While it is said that change is constant, our strategic change phase is complete and we believe that our product portfolio, long standing relationships across our customer markets and a strong balance sheet have helped us and will continue to drive growth for the Company. We will continue to focus on:

Increased sales

of value-added products like Ready-to-Eat to our existing and new customers

Improving Client Mix

to bring in more end-user retail customers

Cost rationalization

to enhance the operating performance and improve liquidity management to further strengthen our balance sheet

With utmost humility, we would like to express our strong gratitude for the continued trust placed in us by our valued stakeholders that include our Shareholders, Bankers, Employees, Customers and Partners in these challenging times. We are also thankful of the Local, State and Central Governments for their continued support to the industry.

We remain resolute in our commitment to create a sustainable Company that will generate long-term value for all our stakeholders.

*K Satyanarayana Murthy,
Chairman and Managing Director*



Corporate Information

Board of Directors

Mr. K. Satyanarayana Murthy	Chairman & Managing Director
Mr. K. Subrahmanya Chowdary	Executive Director
Mrs. K. Neelima Devi	Whole time Director
Mrs. Deepthi Talluri	Independent Director
Mr. B.Raghavulu Naidu	Independent Director (Additional director)
Mr. Govindareddy Krishnamoorthy	Independent Director (Additional director)

Key Managerial Personnel

Mr. Ch. Vijay Kumar	Chief Financial Officer
Ms. S. Sarojini	Company Secretary & Compliance officer

Registered office

Apex Frozen Foods Limited

3-160, Panasapadu, Kakinada,
East Godavari District,
Andhra Pradesh -533005.
Ph: 0884 – 2383902/3/4
Email Id : kkd@apexfrozenfoods.com
Website : www.apexfrozenfoods.in
CIN: L15490AP2012PLC080067

Statutory Auditors

M/s. Boda Ramam & Co.

Chartered Accountants
2-18-24/1, Madhav Nagar,
Kakinada - 533003,
Andhra Pradesh

Secretarial Auditors

M/s A.S.Ramkumar & Associates

Company Secretaries,
Suit No 107, 1st Floor,
Down Town Mall, # 6-2-27, 27A & 28
Adj. to Lotus Hospital,
Lakadi Ka Pul, Hyderabad-500004

Share transfer agents

Bigshare Services Pvt. Ltd

Hyderabad Branch: 306, Right Wing, 3rd
Floor, Amrutha Ville, Opp. Yashoda
Hospital, Smajiguda, Rajbhavan Road
Hyderabad - 500082

Audit Committee

Mr.Govindareddy Krishnamoorthy	Chairman
Mr.B.Raghavulu Naidu	Member
Mr. K. Subrahmanya Chowdary	Member

Nomination and Remuneration Committee

Mr. Govindareddy Krishnamoorthy	Chairman
Mr. B.Raghavulu Naidu	Member
Mrs. DeepthiTalluri	Member

Stakeholders' Relationship Committee

Mr. B. Raghavulu Naidu	Chairman
Mrs. Neelima Devi	Member
Mr. K. Subrahmanya Chowdary	Member

Bankers

1.Bank of India

Kakinada Branch,
27-4-4, Jawahar Street,
Temple Street, Kakinada

2.HDFC Bank

Kakinada Branch,
11-1-7, Meenakshi Manor, Rama Rao Pet,
3rd line, Prakasam Street, Kakinada





Directors' Report

To,
The Members

Your Directors have pleasure in presenting the 9th Annual Report together with the Audited Financial Statements for the Financial Year ended 31st March, 2021.

Financial Results

The performance of the Company for the financial year ended 31st March, 2021, is summarized below:

(Rs. in lakhs)

Particulars	2020-21	2019-20
Revenue from Operations	81,848.41	82,710.54
Other income	752.84	1,899.45
Total Income	82,601.25	84,609.99
Profit Before Interest, Depreciation & Tax (EBITDA)	9,846.47	10,599.20
Interest	1,591.51	1,063.81
Depreciation	2,194.55	1,459.35
Profit before Tax	6,060.21	8,076.04
Current Tax	1,525.36	2,024.06
Deferred Tax	106.33	(12.19)
Total Tax Expenses	1,631.99	2,011.87
Net Profit for the period after tax	4,428.52	6,064.17
Earnings per share	14.17	19.41







826 Cr
TOTAL INCOME



11.9 %
OPERATING PROFIT MARGIN



Overview of financial performance

During the year under review, your company has reported total income including net revenue and other income at Rs. 81,848.41 Lakhs as against Rs. 82,710.54 Lakhs in the previous year.

At the EBITDA level, the company reported a profit of Rs. 9,846.47 Lakhs for the current year as compared with Rs. 10,599.20 Lakhs in the previous year. Profit after tax for the current year stood at Rs. 4,428.52 Lakhs as compared with Rs. 6,064.17 Lakhs in the previous year.

Dividend

The Board has recommended a dividend of Rs. 2.00/- per Equity Share of 10.00/- each (20% of face value) for the year ended March 31, 2021. This payment is subject to your approval at the ensuing Annual General Meeting of the Company

Transfer of unclaimed dividend to investor education and protection fund

There are no amounts due to be credited to Investor Education and Protection Fund in accordance with Section 125 of the Companies Act, 2013, as at the year end.

Material changes and commitments

There were no material changes and commitments affecting the financial position of the Company that have occurred between the end of the Financial Year 2020-21 of the Company and the date of the report.

Transfer to reserves

During the year under review, no amount has transferred to General Reserve.

Fixed deposits

Your Company has not accepted any fixed deposits and as such no principal or interest was outstanding as on the date of the Balance sheet.

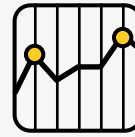
Share capital

The Authorised Share Capital of the Company as on date of Balance Sheet is Rs. 36,00,00,000/- divided into 3,60,00,000 equity shares of Rs. 10/- each.

The paid up share capital of the company as on date of balance sheet is Rs. 31,25,00,000/- divided into 3,12,50,000 equity shares of Rs. 10/- each.



44.28 Cr
PROFIT AFTER TAX



14.17
EARNING PER SHARE

(a) Change in the capital structure of the Company

There was no change in the capital structure of the company

(b) Status of Shares

As the members are aware, the Company's shares are compulsorily tradable in electronic form. As on March 31, 2021, 99.99% of the Company's total paid up capital representing 3,12,49,990 shares are in dematerialized form.

(c) Other shares

Your Company has not issued any equity shares with differential rights, Sweat equity shares, Employee stock options and did not purchase its own shares. Hence there is no information to be provided as required under Rule 4(4), Rule 8(13), Rule 12(9) and Rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014 and Section 62 of the companies Act 2013 respectively.

Details of Appointment/ Resignation of Directors and Key Managerial Personnel (KMP):

- During the year under review, Regularised appointment of Mrs. Deepthi Talluri (DIN: 08726143) as Director (Non – Executive, Independent) at Annual General Meeting held on 28.09.2020.
- Mr. Mantena Lakshmi pathi Raju (DIN: 07717931) has resigned as Director (Non–Executive, Independent) of the company w.e.f. 05.06.2021.
- Mr. Datla Venkata Subba Raju (DIN: 07717952) has resigned as Director (Non-Executive, Independent) of the company w.e.f. 05.06.2021.
- Mr. B. Raghavulu Naidu (DIN: 09158333) has appointed as an Additional Director (Non–Executive, Independent) for a period of 5 years w.e.f. 04.06.2021, subject to the approval of the Shareholders of the Company at the ensuing General Meeting & Mr. Govindareddy Krishnamoorthy (DIN 09208749) has appointed as an Additional Director (Non–Executive, Independent) for a period of 5 years w.e.f. 22.06.2021, subject to the approval of the Shareholders of the Company at the ensuing General Meeting.

The appointment of Mr. B. Raghavulu Naidu (DIN: 09158333) & Mr. Govindareddy Krishnamoorthy (DIN 09208749) is being placed

for approval of the members at the ensuing Annual General Meeting. A brief profile of them and other related information is provided in the AGM notice. The Board on the recommendation of Nomination & Remuneration Committee held on 12.08.2021 recommends their re-appointment at the ensuing Annual General Meeting.

- In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. K. Subrahmanya Chowdary (DIN 03619259), Executive Director of the Company, will retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment. The Board recommends her re-appointment.

Board Meetings:

During the financial year, the Board met 5(Five) times on 01.06.2020, 26.06.2020, 28.08.2020, 13.11.2020 and 11.02.2021. The meeting details are provided in the corporate governance report that forms part of this Annual Report. The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013.

Committees of the Board

Audit Committee

The Audit Committee was constituted pursuant to the Board meeting held on 27.01.2017 and reconstituted on 22.06.2021. The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013. The members of the Audit Committee as on 14.08.2021 are:

- | | | |
|-----------------------------------|---|----------|
| • Mr. Govindareddy Krishnamoorthy | - | Chairman |
| • Mr. B. Raghavulu Naidu | - | Member |
| • Mr. K. Subrahmanya Chowdary | - | Member |

None of the recommendations made by the Audit Committee were rejected by the Board. During the year under review, the Audit Committee was met 4 times.

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

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.

Statement on Declaration Given by Independent Directors Under Sub-section (6) of Section 149

The Independent Directors have submitted their disclosures to the Board that they fulfil all the requirements as stipulated in Section 149 of the Companies Act, 2013, so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

Familiarisation Programme for Independent Directors

All new Independent Directors (IDs) inducted into the Board are presented with an overview of the Company's business operations, products, organization structures and about the Board constitution and its procedures. A policy on familiarization program for IDs has also been adopted by the Company. Policy for familiarisation of Independent Directors is available at www.apexfrozenfoods.in.

Annual evaluation of Board performance and Performance of its Committees and Directors

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit and other Committees.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgments, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

Policy on Director's and Key Managerial Personnel Appointment & Remuneration:

Your company adopted the policy on Director's Appointment & Remuneration. The objective of the policy is to ensure that Executive Directors and other employees are sufficiently compensated for their performance. The Policy seeks to provide criteria for determining qualifications, positive attributes, and independence of a director and also recommend a policy relating to the remuneration for the directors and key managerial personnel. Policy is available at www.apexfrozenfoods.in.

Vigil Mechanism / Whistle Blower Policy

The Company has a Whistle Blower Policy framed to deal with instance of fraud and mismanagement, if any. The details of the Policy are explained in the Corporate Governance Report and also posted on the website of the Company and is available at www.apexfrozenfoods.in.

Risk Management Policy

Risk management is embedded in your Company's operating framework. Your Company believes that managing risks helps in maximizing returns. The Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating risks and reporting mechanism of such risks. The risk management framework is reviewed periodically by the Board and the Audit Committee.

In terms of the requirement of Section 134(3)(n) of the Companies Act, 2013, the Company has developed and implemented the Risk Management Policy. The details of the Policy is available on the Company's website www.apexfrozenfoods.in.

Risk Management Committee

Details of composition, scope of terms of reference of committee and other related details are set out in the Report on Corporate Governance which forms part of this Report.

Related Party Transactions

There are no transactions with related parties except remuneration to Key Managerial Persons as mentioned in notes to accounts, which fall under the scope of section 188(1) of the Companies Act, 2013.

The policy on Related Party Transactions as approved by the Board is uploaded on the website of the Company at www.apexfrozenfoods.in



Particulars of loans, guarantees or investments made under section 186 of the companies act, 2013

During the year under review there were no loans, guarantees or investments made by the Company, under Section 186 of the Companies Act, 2013 and hence the said provisions are not applicable.

Directors' Responsibility Statement

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirms that:

1. in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
2. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
3. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. they have prepared the annual accounts on a going concern basis;
5. they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
6. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Information about Subsidiary / Joint Ventures / Associate Companies

Your Company don't have any subsidiary or Joint Ventures or Associate Company. It is not a subsidiary or Joint Venture or Associate to any other Company.

Annual Return

Pursuant to the provisions of Section 92(3) and Section 134(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, the Annual Return of the Company as on 31st March, 2021 is available on the Company's website and can be accessed at www.apexfrozenfoods.in

Annual Secretarial Compliance Report

A Secretarial Compliance Report for the financial year ended 31st March, 2021, on compliance of all applicable SEBI Regulations and circulars / guidelines, issued by M/s. A.S.Ramkumar & Associates, Company Secretaries, was submitted to BSE Limited and National Stock Exchange of India Limited.

Secretarial Standards

The Company has complied with Secretarial Standards formulated by the Institute of Company Secretaries of India and notified by the Central Government for implementation.

Corporate Governance Report

Your company's philosophy on Corporate Governance sets the goal of achieving the highest level of transparency with integrity in all its dealings with its stakeholders including shareholders, employees, lenders and others. A report on Corporate Governance along with a Certificate from M/S A.S.Ramkumar & Associates, Company Secretaries regarding the Compliance of Conditions of Corporate Governance as stipulated under SEBI (LODR) Regulations forms part of the Annual Report as Annexure -I

Auditors

a) STATUTORY AUDITORS

M/s. BodaRamam & Co., Chartered Accountants, Kakinada, (Firm Reg No. 005383S) were re-appointed as Statutory Auditors of the Company at Annual General meeting held on 19.09.2019 to hold the office for a period of 3 years.

b) INTERNAL AUDITORS

The Board of Directors at their meeting held on 13.11.2020 have appointed M/s A.V.Ratnam & Co, Chartered Accountants, Kakinada, as the Internal Auditors of your company. The Internal Auditors had submitted their reports to the management.

c) SECRETARIAL AUDITORS

The Board has appointed M/s. A.S Ram Kumar and Associates, Company Secretaries in Practice, to carry the Secretarial Audit under the provisions of section 204 of the Companies Act, 2013 for the financial year 2020-21. The Report of the Secretarial Auditor is annexed to this report as **Annexure – II**

AUDITORS REPORT

The observations made in the Auditors' Report are self explanatory and therefore, don't call for any further comments u/s 134 of the Companies Act, 2013.

Comments on Auditor Report

There are no adverse comments by the Auditor in the Audit Report and hence comments by Board of Directors of the Company on Auditor Report are not required.

Disclosure under Sexual Harassment of Women at Workplace

The Company has in place the requisite Internal Committees as envisaged under the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

No complaints on the issues covered by the above Act were received during the year.

Corporate Social Responsibility (CSR)

The Annual Report on CSR activities in terms of the requirements of Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed as Annexure – III which forms part of this Report.

The Company has a Corporate Social Responsibility Policy and the same has been posted on the website of the Company at www.apexfrozenfoods.in

Business Responsibility Report

Pursuant to the Regulation 34 of the SEBI Listing Regulations, Business Responsibility Report for the year ended 31st March, 2021 is provided separately and annexed to the Directors' Report as "Annexure-VI".

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

Conservation of energy:

- I. The steps taken or impact on conservation of energy:
 - a. Voltage frequency drives have been installed in machinery there by 20% power saving has been done.
 - b. Lighting in the processing unit and cold storage have been changed to LED from tube lights.
- II. The steps taken by the company for utilizing alternate sources of energy: Solar water heaters have been installed in place of electrical heaters. Solar security fencing has been done in place of electrical fencing.
- III. The capital investment on energy conservation equipment's; NIL

Technology absorption: NOT APPLICABLE

**Foreign Exchange Earnings and Outgo:**

(Rs. in Lakhs)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Earnings in Foreign Exchange	73,372.18	70,707.341
Foreign Exchange Outgo	4,215.09	4,920.09

Particulars of Employees

The information required under Section 197 of the Act and the Rules made thereunder, in respect of employees of the Company has been disclosed in 'Annexure IV'.

Management Discussion and Analysis Report

The Management Discussion and Analysis as required by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is incorporated herein by reference and forms an integral part of this report as Annexure -V

Internal Control Systems & their Adequacy

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures.

Maintenance of Cost Records

The maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the business activities carried on by the Company.

Significant and material orders passed by the regulators or courts

There are no significant or material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

Human resources

Your Company considers its Human Resources as the key to achieve its objectives. Keeping this in view, your Company takes utmost care to attract and retain quality employees. The employees are sufficiently empowered and such work environment propels them to achieve higher levels of performance. The unflinching commitment of the employees is the driving force behind the Company's vision. Your Company appreciates the spirit of its dedicated employees.

Appreciation

The Board wishes to gratefully acknowledge the understanding and support received by the Company from its employees. It wishes also to thank the banking system, the Central Government, the various State Governments and the local authorities for the unstinted support received during the year.

This Report will be incomplete without a specific appreciation for the Members of the Company who have shown immense confidence and understanding in the Company's well being.

On Behalf of the Board
For **Apex Frozen Foods Limited**

Place: Panasapadu, Kakinada
Date: 14.08.2021

Sd/-
K Subrahmanya Chowdary
Executive Director
DIN 03619259

Sd/-
K. Satyanarayana Murthy
Chairman & Managing Director
DIN 05107525

Report on Corporate Governance

1. Company's Philosophy on Code of Governance

The philosophy of the Company in relation to corporate governance is to ensure transparency in all its operations, make disclosures and enhance shareholder value without compromising in any way on compliance with the extant laws and regulations. Your Company continuously endeavors to review, strengthen and upgrade its systems and processes so as to provide timely and accurate disclosure of information regarding the financial situation, performance, ownership and governance and firmly believes that business is built on ethical values and principles of transparency.

A Report on compliance with the principles of Corporate Governance as prescribed by the Securities and Exchange Board of India (SEBI) in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given below:

2. Board of Directors

Size of the Board

The composition of Board is in consonance with the requirements of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As on 31st March, 2021, Board of the Company consisted of Six (6) Members. The Company has Three (3) Promoter Executive Directors (including women director), out of which one director is the Chairman & Managing director and Three (3) Non Executive Independent Directors (including Women director).

All the Independent Directors have confirmed that they meet the criteria of independence as laid out under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereto. The Board confirms that in its opinion the independent directors fulfil the conditions specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

It is further confirmed that none of the directors of the Company have been debarred or disqualified from being appointed or continuing as a director of the Company by the Ministry of Corporate Affairs or the Securities and Exchange Board of India or any other Statutory Authority. The said affirmation is confirmed by the Practicing Company Secretary in the compliance certificate which is appended hereto.

i. Composition and category of Directors

Name of the Directors	Category	Designation	No. of shares held in the Company (%)	Names of the listed entities where the person is a director and the category of directorship
Mr.K.Satyanarayana Murthy	Chairman & Managing Director – Promoter Executive Director- Promoter	Managing Director	89,18,779 (28.54%)	Nil
Mr.K.Subrahmanya Chowdary	Whole time director-Promoter- Women Director	Whole time director	96,43,828 (30.86)	Nil
Mrs.K.Neelima Devi	Director(Non-Executive, Independent)	Whole time director	24,000 (0.08%)	Nil
*Mr.D. Venkata Subba Raju	Director (Non-Executive, Independent)	Director	Nil	Nil
*Mr.M. Lakshmpathi Raju	Director (Non-Executive, Independent)	Director	Nil	Nil
Mrs.Deepthi Talluri	Additional Director (Non-Executive, Independent)	Director	Nil	Nil
**Mr. Govindareddy Krishnamoorthy	Additional Director (Non-Executive, Independent)	Additional Director	Nil	Nil
***Mr. B. Raghavulu Naidu	Additional Director (Non-Executive, Independent)	Additional Director	Nil	Nil

*Mr.D. VenkataSubbaRaju & Mr.M. LakshmpathiRaju has resigned as director w.e.f., 05.06.2021

**Mr. Govindareddy Krishnamoorthy has appointed as an Additional Director (Non Executive, Independent) w.e.f. 22.06.2021

***Mr.B. Raghavulu Naidu has appointed as an Additional Director (Non Executive, Independent) w.e.f. 04.06.2021



ii. Number of other board of directors or committees in which a directors is a member or chairperson as on 31.03.2021:

Sl. No.	Name of the Director	*No. of other Companies in which he/she is Director	**No. of Committees Chairpersonship / Membership (including this company)	
			Member	Chairperson
1	Mr. K. Satyanarayana Murthy	2	1	0
2	Mr. K. Subrahmanya Chowdary	2	1	0
3	Mrs. K. Neelima Devi	1	1	0
4	Mr. D. Venkata Subba Raju	1	0	1
5	Mr. M. Lakshmipathi Raju	1	1	1
6	Mrs. Deepthi Talluri	1	0	0

*Directorship in public and private companies includes Section 8 Companies but excluding Foreign Companies.

**Committee positions only of the Audit Committee and Stakeholders Relationship Committee in Public Limited Companies.

iii. Attendance of Directors at the Board Meetings held during FY 2020-21 and Annual General meetings held during the year 2020-21:

During the Financial Year 2020-21 the Board met Five times on i.e. 01.06.2020, 26.06.2020, 28.08.2020, 13.11.2020 and 11.02.2021. The gap between any two meetings is not more than 120 days.

Directors	Category	Meetings held during the tenure of the Directors	Meetings Attended	Attendance at the last AGM
Mr.K.Satyanarayana Murthy	Chairman & Managing Director- Promoter	5	5	Yes
Mr.K.SubrahmanyaChowdary	Executive Director- Promoter	5	4	Yes
Mrs.K.Neelima Devi	Whole time director -Promoter- Women Director	5	4	Yes
Mr.D. VenkataSubbaRaju	Director (Non-Executive, Independent)	5	4	Yes
Mr.M. LakshmipathiRaju	Director (Non-Executive, Independent)	5	5	Yes
Mrs Deepthi Talluri	Director (Non-Executive, Independent)	5	4	No

iv. Relationship among directors

- Mr. K. Satyanarayana Murthy: K. S. Chowdary – Son, K. Neelima devi - Daughter-in-law
- Mr. K. Subrahmanya Chowdary: K.S. Murthy – Father, K. Neelima devi - Wife
- Mrs. K. Neelima Devi: K. S. Chowdary – Husband, K. S. Murthy - Father-in-law

v. Code of conduct

The Board of Directors has laid down a Code of Conduct for all Board members and all employees in management grade of the Company. The Code of Conduct is posted on the website of the Company at www.apexfrozenfoods.in.

A declaration to this effect signed by the Managing Director in terms of the Listing Regulations is attached and forms part of the Annual Report of the Company.

vi. Independent directors

Mrs.Deepthi Talluri, Mr.D.Venkata SubbaRaju and Mr. M. Lakshmi pathi Raju are Non-Executive Independent Directors of the company as on 31.03.2021.

vii. Details of Familiarisation Programmes Imparted to Independent Directors

The Company familiarizes its Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, etc., through various programmes. These include orientation programme upon induction of new Director, as well as other initiatives to update the Directors on an ongoing basis. The Policy for Familiarization Programme for Independent Directors is disclosed on the Company's website at www.apexfrozenfoods.in.

viii. Meeting of Independent Directors

In Compliance with the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Independent Directors Meeting of the Company was held on 28.03.2021. Independent Directors Meeting considered the performance of Non-Independent Directors and Board as whole, reviewed the performance of Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board.

Attendance of Independent Directors in Independent Directors Meeting

Name of the Director	No. of meetings held	No. of meetings attended
Mrs.Deepthi Talluri	1	1
Mr.D VenkataSubba Raju	0	0
Mr.M Lakshmi pathi Raju	1	1

ix. Confirmation that in the opinion of the board, the independent directors fulfil the conditions specified in these regulations and are independent of the management:

The Board of Directors be and is hereby confirm that in the opinion of the Board, the Independent Directors fulfil the conditions specified by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they are independent of the management.

x. Detailed reasons for the resignation of an independent director who resigns before the expiry of his tenure along with a confirmation by such director that there are no other material reasons other than those provided:

Mr.D. Venkata Subba Raju & Mr. M. Lakshmi pathi Raju, Independent Directors were resigned w.e.f05.06.2021,

As per the resignation letter received from Mr. Mantena Lakshmi pathi Raju, Independent Director, he has to join the post of Full-time director in Aditya Akshya Bio- pharma Pvt Ltd, Hence he will not be continue as director of independent director of APEX FROZEN FOODS LIMITED.

As per the resignation letter received from Mr. Datla Venkata Subba Raju, Independent Director and the resignation is due to his present professional engagements and other personal reasons. Further they both confirmed that there are no other material reasons other than those provided.



xi. List of core Skills/ Expertise/ Competencies required in the Company's Board to enable it function effectively and those actually available:

The following is the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

Sl. No.	Skills/ Expertise/ Competencies identified by the Board	Mr. K. Satyanarayana Murthy	Mr. K. Subrahmanya Chowdary	Mrs. K. Neelima Devi	Mr. D. Chandra Sekhar Raju	* Mr. D. Venkata Subba Raju	* Mr. M. Lakshmi pathi Raju	Mrs. Deepthi Talluri	** Mr. B. Raghavulu Naidu	** Mr. Govindareddy Krishnamoorthy
1.	Knowledge on Company's businesses, policies and culture (including the Mission, Vision and Values) major risks / threats and potential opportunities and knowledge of the industry in which the Company operates	✓	✓	✓	✓	✓	✓	✓	✓	✓
2.	Behavioural skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company	✓	✓	✓	✓	✓	✓	✓	✓	✓
3.	Business Strategy, Forex Management, Administration, Decision Making, Sales & Marketing	✓	✓	✓						
4.	Corporate Governance & Compliance	✓	✓	✓	✓	✓	✓	✓	✓	
5.	Financial and Management skills	✓	✓	✓	✓	✓	✓			✓
6.	Technical / Professional skills and specialized knowledge in relation to Company's business	✓	✓	✓						

* Mr.D. Venkata Subba Raju &Mr.M. Lakshmi pathi Raju has resigned as director w.e.f., 05.06.2021

**Mr. Govindareddy Krishnamoorthy has appointed as an Additional Director (Non Executive, Independent) w.e.f. 22.06.2021 & Mr.B.Raghavulu Naidu has appointed as an Additional Director (Non Executive, Independent) w.e.f. 04.06.2021

3. Committees of the Board

Currently, there are four Board Committees – The Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Risk Management committee. The terms of reference of the Board Committees are determined by the Board from time to time, The role and composition of these Committees, including the number of meetings held during the financial year and the related attendance are provided below:

(i). Audit committee

In compliance with the requirements of the Companies Act, 2013 and of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted an Audit Committee on 27.01.2017 and re-constituted on 22.06.2021. Composition of Audit committee as on 14.08.2021 is as follows:

Mr. Govindareddy Krishnamoorthy	-	Chairman
Mr. B.Raghavulu Naidu	-	Member
Mr. Subrahmanya Chowdary	-	Member

The brief terms of reference of the Audit Committee includes the following:

- Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
- Recommending to the Board the appointment, re-appointment and replacement, remuneration and terms of appointment of the statutory auditor of the Company and the fixation of audit fee and other payments, Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
- Reviewing, with the management, quarterly, half-yearly, annual financial statements and auditor's report thereon before submission to the Board for approval.
- Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), and monitoring the use/application of the funds raised through the Issue by the Company;
- Approval or any subsequent modifications of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
- Reviewing and monitoring the statutory and internal auditors performance, effectiveness of statutory and internal audit procedures and Evaluating of internal financial controls, risk management systems and adequacy of the internal control systems;
- Scrutinizing of inter-corporate loans and investments and Valuing of undertakings or assets of the Company, wherever it is necessary;
- Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances
- Discussing with internal auditors on any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

Powers of the Audit Committee shall include the following

- To investigate any activity within its terms of reference;
- To seek information from any employee;
- To obtain outside legal or other professional advice; and
- To secure attendance of outsiders with relevant expertise, if it considers necessary."

Audit Committee shall mandatorily review the following information:

- Management's discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses
- The appointment, removal and terms of remuneration of the chief internal auditor.
- Statement of deviations:

Composition Audit Committee as on 31.03.2021 and Attendance of Members at the Meetings of the Audit Committees held during 2020-21:

Sl. No.	Name of the Member	Category	Designation	No of Meetings held during the tenure of the members	Meetings attended
1	Mr. D Venkata Subba Raju	Director (Non-Executive, Independent)	Chairman	4	3
2	Mr.Karuturi Subramanya Chowdary	Executive Director	Member	4	4
3	*Mr. M Lakshmipathi Raju	Director (Non-Executive, Independent)	Member	4	4

The Audit Committee of the Company has met Four (4) times during the year i.e., on 26.06.2020, 28.08.2020, 13.11.2020 and 11.02.2021..

(ii)Nomination and Remuneration Committee(NRC)

In compliance with the requirements of the Companies Act, 2013 and of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted Nomination and Remuneration Committee on 27.01.2017 and re-constituted on



22.06.2021. Composition of Nomination and Remuneration Committee as on 14.08.2021 is as follows:

Mr. Govindareddy Krishnamoorthy	Chairman
Mr. B. Raghavulu Naidu	Member
Mrs. Deepthi Talluri	Member

Terms of reference of the Nomination and Remuneration Committee shall include the following:

- Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
 - The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
 - relationship of remuneration to performance is clear and meets appropriate performance bench marks; and
 - remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
- Formulating of criteria for evaluation of the independent directors and the Board and Devising a policy on Board diversity;
- Identifying persons, who qualify to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal, and carrying out evaluations of every director's performance;
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Analyzing, monitoring and reviewing various human resource and compensation matters;
- Determining the company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
- Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;
- Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- Recommend to the board, all remuneration, in whatever form, payable to senior management
- Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
 - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; or
 - The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003.

Composition NRCas on 31.03.2021 and Attendance of Members at the Meetings of the NRC held during 2020-21					
Sl. No.	Name of the Member	Category	Designation	No of Meetings held during the tenure of the members	Meetings attended
1	Mr.D Venkata Subba Raju	Director (Non-Executive, Independent)	Chairman	1	1
2	Mr.M Lakshmi pathi Raju	Director (Non-Executive, Independent)	Member	1	1
3	Mrs. Deepthi Talluri	Director (Non-Executive, Independent)	Member	1	0

During the year, Nomination and Remuneration Committee has met once on 28.08.2020.

(iii) Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was constituted by our Board of Directors at its meeting held on 01.08.2014 and reconstituted on 22.06.2021. Composition of CSR Committee as on 14.08.2021 is as follows:

Mrs. Neelima Devi Karuturi	-	Chairman
Mr. Satyanarayana Murthy Karuturi	-	Member
Mrs. Deepthi Talluri	-	Member

The terms of reference of the Corporate Social Responsibility Committee of our Company shall include the following:

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by our Company in accordance with the provisions of the Companies Act, 2013;
- Review and recommend the amount of expenditure to be incurred on activities to be undertaken by our Company;
- Monitor the Corporate Social Responsibility Policy of our Company and its implementation from time to time;

Composition and Attendance of Members at the Meetings of CSR Committee held during 2020-21:

Sl. No.	Name of the Member	Category	Designation	No of Meetings held during the tenure of the members	Meetings attended
1	Mrs.Karuturi Neelima Devi	Whole-Time Director-Promoter-Women Director	Chairman	1	1
2	Mr.Karuturi -Satyanarayana Murthy	Chairman and Managing Director- Promoter	Member	1	1
3	Mr.Lakshmipathi Raju Mantena	Director (Non-Executive, Independent)	Member	0	0

During the year under review, Corporate Social Responsibility Committee of the Company has met once on 10.02.2021

(iv) Stakeholders Relationship Committee (SRC)

The Stakeholders' Relationship Committee was constituted at board meeting held on March 08, 2017 and re-constituted on 22.06.2021. Composition of SRC Committee as on 14.08.2021 is as follows:

Mr. B. Raghavulu Naidu	-	Chairman
Mrs. Neelima Devi	-	Member
Mr. Subrahmanya Chowdary	-	Member

The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013, which includes:

- Considering and resolving the grievances of security holders of the Company, including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, annual reports of the Company or any other documents or information to be sent by the Company to its shareholders etc.
- Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities, Giving effect to all transfer/transmission of shares and debentures, dematerialization of shares and rematerialisation of shares, split and issue of duplicate/consolidated share certificates, allotment and listing of shares, buy back of shares, compliance with all the requirements related to shares, debentures and other securities from time to time;
- Oversee the performance of the registrars and transfer agents of the Company and to recommend measures for overall improvement in the quality of investor services and also to monitor the implementation and compliance of the code of conduct for prohibition of insider trading pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended and other related matters as may be assigned by the Board of Directors.

Composition of SRC as on 31.03.2021 and Attendance of Members at the Meetings of the SRC held during 2020-21:

Sl. No.	Name of the Member	Category	Designation	No of Meetings held during the tenure of the members	Meetings attended
1	Mr. M. Lakshmipathi Raju	Director (Non-Executive, Independent)	Chairman	1	0
2	Mrs. Karuturi Neelima Devi	Whole time director	Member	1	1
3	Mr. K. Subrahmanya Chowdary	Executive Director	Member	1	1

During the year, the Stakeholders' Relationship Committee has met once on 11.02.2021



Details of shareholders' requests/complaints received and resolved during FY 2020-21 are as under:

No. of requests/complaints received	0
No. of requests/complaints resolved	0
No. of requests/complaints not solved to the satisfaction of the shareholders	0
No. of pending requests/complaints	0

Name of non-executive director heading the committee: Mr.MLakshmiPathiRaju

Name and designation of compliance officer: Ms.S.Sarojini, Company Secretary & Compliance officer

(v) RISK MANAGEMENT COMMITTEE

The Risk Management Committee (RMC) was constituted at board meeting held on held on 14.08.2021. Composition to Risk Management Committee is as follows:

Name of the Member	Category	Designation
Mr.K.Satyanarayana Murthy	Managing director	Chairman
Mr.K.Subrahmanya Chowdary	Executive director	Member
Mr.Govindareddy Krishnamoorthy	Director (Non-Executive, Independent)	Member
Mr.B. Raghavulu Naidu	Director (Non-Executive, Independent)	Member
Mrs D S Madhavi	Manager- Quality & assurance	Member
Mr. PDurga Prasad	Manager- Accounts	Member

The scope and function of the Risk management Committee is in accordance with Regulation 21 of SEBI LODR regulations, 2015, which includes:

- To formulate a detailed risk management policy which shall include:
 1. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 2. Measures for risk mitigation including systems and processes for internal control of identified risks.
 3. Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

4. Remuneration of Directors

Policy on directors' and key managerial personnel appointment & remuneration:

Your company adopted a policy relating to the remuneration for the directors (for both executive & non-executive) and key managerial personnel, which forms part of Policy on Director's and Key Managerial Personnel Appointment & Remuneration and same is available at company website www.apexfrozenfoods.in.

Non-executive Directors' Compensation & Disclosures:

The Non-executive Directors are entitled for (i) a sitting fee of Rs. 40,000/- per meeting of the Board of Directors attended and for committee meetings Rs. 15,000/- per meeting attended 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(LODR) Regulations, 2015,

Details of payment of remuneration of Directors and Key Managerial Personnel					(Rs in Lakhs)
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:					
Sl. No.	Particulars of Remuneration	Mr. K Subrahmanya Chowdary - Whole Time Director	Mr. K Satyanarayana Murthy - Managing Director	Mrs. K Neelima Devi - Whole Time Director	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	126.00	126.00	93.75	345.75
	(b) Value of perquisites u/s17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total (A)	126.00	126.00	93.75	345.75

During the year under review, keeping in the view of Covid Pandemic and its effect on business operations, Mr. K Satyanarayana Murthy, Managing Director, Mr. K Subrahmanya Chowdary, Executive Director and Mrs. K Neelima Devi, Whole Time Director were voluntarily relinquished their remunerations pertaining to quarter ended 31.12.2020.



B. Remuneration to other directors:					
Sl. No.	Particulars of Remuneration	Mrs. Deepthi Talluri	Mr. D V Subba Raju	Mr. M Lakshmipathi Raju	Total Amount
1	Independent Directors				
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)				
2	Other Non-Executive Directors				
	Fee for attending board committee meetings	1.20	1.50	2.20	4.90
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration(A+B)	1.20	1.50	2.20	4.90

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/ MANAGER/ WTD:				
Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		S.Sarojini (CS)	Ch Vijay Kumar (CFO)	Total
1	Gross salary	4.20	8.00	12.20
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission as % of profit	-	-	-
5	Others, please specify			
	TOTAL	4.20	8.00	12.20

Performance Evaluation Criteria for Directors

The Nomination and Remuneration Committee at its meeting held on 08.03.2017 decided to implement an internal assessment method of evaluation and formulated criteria for evaluation of Directors, Committees and Board taking in to account the criteria indicated by the SEBI in its Guidance Note circulated on 05.01.2017

Performance evaluation

Pursuant to the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as evaluation of the workings of its Board Committees. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, obligations and governance.

A meeting of the Independent Directors was held on 28-03-2021, which reviewed the performance of Non-Independent Directors, Chairman and the quality of the information and follow up action is being taken on suggestions made therein.

2. GENERAL BODY MEETINGS

- **Location and time of last Three AGM's held:**

Year	Location	Date	Time
2017-18	At Hotel Grand Kakinada by GRT Hotels, D.No: 11-3-11, Veterinary Hospital road, Ramaraopeta, Kakinada -533004, Andhra Pradesh	22.09.2018	at 10.30 A.M
2018-19	At Paradigm Sarovar Portico, D.No.20-1-60, Near Tirumala Theatre, Subash Road , Kakinada-533001, East Godavari District, Andhra Pradesh	19.09.2019	at 4.00 P.M.
2019-20	At the registered office of the company at 3-160, Panasapadu, Kakinada, East Godavari – 533005, Andhra Pradesh	28.09.2020	at 9.30 A.M

- Details of special resolutions passed in the previous three annual general meetings

Description of resolution passed	Date of AGM
Re-Appointment of Mr. K. Satyanarayana Murthy(DIN 05107525) as the Managing Director	19.09.2019
Re-Appointment of Mr. K. Subrahmanya Chowdary (DIN 03619259) as the Executive Director	19.09.2019
Re-Appointment of Mrs. Neelima Devi(DIN 06765515) as wholetime Director	19.09.2019

- Details of Postal Ballot Resolutions passed during the year 2020-21: Nil
- Whether any special resolution is proposed to be conducted through postal ballot: No

3. 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 and posted at website of the company
2	Newspapers wherein results are normally published	Andhra Prabha & Business Standard
3	Website	www.apexfrozenfoods.in
4	Whether it also displays official news releases	Yes
5	Presentations made to institutional investors or to analysts	Yes



7. General shareholders' information

Sl. No.	Description	Details
i.	Date, time and Venue of AGM	Date: 22nd September, 2021 Time: At 9.00 A.M Mode of Meeting: The Annual General meeting will be conducted through Video Conferencing (VC)/Other Audio-Visual Means (OAVM)
ii.	Financial Year	1st April, 2020 to 31st March, 2021
iii.	Dividend payment date	Within 30 days from declaration of dividend i.e, by 21.10.2021
iv.	Dates of book closure	16.09.2021 to 22.09.2021 (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 (BSE) and National Stock Exchanges. The addresses of these Exchanges is as under: 1. Bombay Stock Exchange Limited, PhirozeJeejeebhoy Towers, Dalal Street, Mumbai – 400 001. 2. National Stock Exchange of India Limited, Exchange Plaza , BandraKurla Complex, Bandra (East), Mumbai-400 051. The Company has duly paid the Listing fees for the year 2020-21 to BSE Limited and National Stock Exchange where the shares of the Company are Listed.
vi.	Stock Code	BSE : 540692NSE : APEX

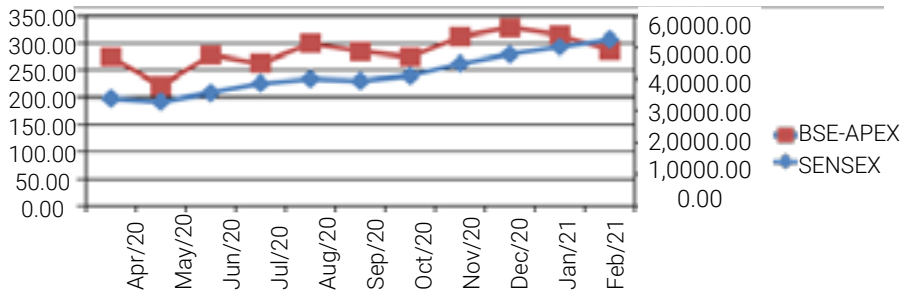
vii. Market Price Data: High / Low / Close During each month in the last Financial Year:

Month	BSE				NSE			
	Open	High	Low	Close	Open	High	Low	Close
Apr-20								
Apr-20	168.80	274.20	167.25	223.80	165.00	269.00	165.00	223.75
May-20	219.90	219.90	170.15	186.60	213.20	216.00	170.05	187.15
Jun-20	192.30	277.95	191.10	258.75	188.90	278.00	188.90	258.60
Jul-20	258.20	262.00	217.50	226.90	188.90	278.00	188.90	258.60
Aug-20	225.00	299.00	225.00	258.70	226.60	299.40	225.50	258.25
Sep-20	255.30	285.00	239.00	245.00	258.20	285.10	238.05	244.90
Oct-20	247.90	274.20	247.05	249.80	246.85	275.00	246.80	250.15
Nov-20	255.00	311.65	250.00	289.95	257.00	312.40	249.10	290.15
Dec-20	298.00	328.80	276.85	305.80	291.00	327.85	277.00	306.00
Jan-21	308.90	314.80	273.00	273.95	347.50	444.85	328.00	347.60
Feb-21	280.00	287.00	239.65	242.05	347.95	401.80	261.75	271.35
Mar-21	246.90	256.75	200.00	207.40	282.00	288.00	132.00	168.55

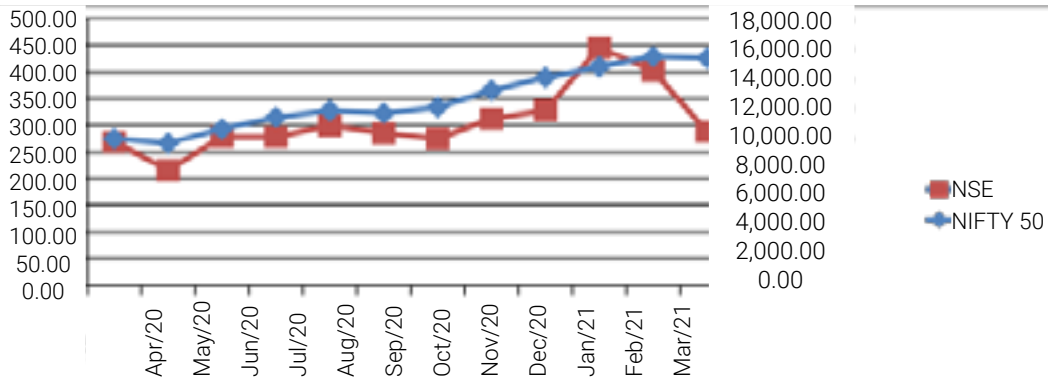


viii.

Relative Performance of Apex Frozen Foods Limited Share Price V/S. BSE Sensex:



Relative Performance of Apex Frozen Foods Limited Share Price on NSE V/S. NSE NIFTY 50:





Sl. No.	Description	Details																																																		
ix.	Registrar to an issue and share transfer agents	<p>Bigshare Services Private Limited Head office:1st Floor, Bharat Tin Works Building Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai- 400059 Tel: 022- 6263 8200</p> <p>Hyderabad Branch: 306,Right Wing, 3rd Floor, Amrutha Ville, Opp.Yashoda Hospital, Somajiguda, Rajbhavan Road, Hyderabad – 500082, Ph: 040 40144582</p>																																																		
x.	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.																																																		
xi.	Distribution of shareholding as on 31.03.2021:	<table border="1"> <thead> <tr> <th>No. of Equity shares</th> <th>No. of share holders</th> <th>% of Shareholders</th> <th>No. of shares</th> <th>% of Shares</th> </tr> </thead> <tbody> <tr> <td>01-5000</td> <td>38458</td> <td>95.59</td> <td>29258390</td> <td>9.36</td> </tr> <tr> <td>5001-10000</td> <td>1051</td> <td>2.61</td> <td>7955570</td> <td>2.55</td> </tr> <tr> <td>10001-20000</td> <td>424</td> <td>1.05</td> <td>6187550</td> <td>1.98</td> </tr> <tr> <td>20001-30000</td> <td>113</td> <td>0.28</td> <td>2894740</td> <td>0.93</td> </tr> <tr> <td>30001-40000</td> <td>49</td> <td>0.12</td> <td>1749000</td> <td>0.56</td> </tr> <tr> <td>40001-50000</td> <td>35</td> <td>0.09</td> <td>1656650</td> <td>0.53</td> </tr> <tr> <td>50001-100000</td> <td>56</td> <td>0.14</td> <td>3847330</td> <td>1.23</td> </tr> <tr> <td>100001and above</td> <td>45</td> <td>0.11</td> <td>258950770</td> <td>82.86</td> </tr> <tr> <td>Total</td> <td>40231</td> <td>100.00</td> <td>312500000</td> <td>100.00</td> </tr> </tbody> </table>	No. of Equity shares	No. of share holders	% of Shareholders	No. of shares	% of Shares	01-5000	38458	95.59	29258390	9.36	5001-10000	1051	2.61	7955570	2.55	10001-20000	424	1.05	6187550	1.98	20001-30000	113	0.28	2894740	0.93	30001-40000	49	0.12	1749000	0.56	40001-50000	35	0.09	1656650	0.53	50001-100000	56	0.14	3847330	1.23	100001and above	45	0.11	258950770	82.86	Total	40231	100.00	312500000	100.00
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xii.	Dematerialization of shares and liquidity as on 31.03.2021	<table border="1"> <thead> <tr> <th>Sl. No.</th> <th>Description</th> <th>No. of Shareholders</th> <th>No. of shares</th> <th>% of Equity</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Shares in Demat mode with NSDL</td> <td>18250</td> <td>27447093</td> <td>87.83</td> </tr> <tr> <td>2</td> <td>Shares in Demat mode with CDSL</td> <td>21980</td> <td>3802897</td> <td>12.17</td> </tr> <tr> <td>3</td> <td>Shares in Physical mode</td> <td>1</td> <td>10</td> <td>0.00</td> </tr> <tr> <td></td> <td>Total</td> <td>38171</td> <td>31250000</td> <td>100.00</td> </tr> </tbody> </table>	Sl. No.	Description	No. of Shareholders	No. of shares	% of Equity	1	Shares in Demat mode with NSDL	18250	27447093	87.83	2	Shares in Demat mode with CDSL	21980	3802897	12.17	3	Shares in Physical mode	1	10	0.00		Total	38171	31250000	100.00																									
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The company's shares are regularly traded on BSE and NSE.

Sl. No.	Description	Details
xiii.	Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity:	Nil
xiv.	Commodity Price Risk or Foreign Exchange Risk and hedging activities	Nil
xv.	Plant locations	<p>Owned Processing Plants</p> <p>1. Apex Frozen Foods Limited #3-160, Panasapadu, Kakinada East Godavari District, Andhra Pradesh. -533005.</p> <p>2. Apex Frozen Foods Limited G. Ragampeta, Andhra Pradesh- 533437 Owned Pre Processing</p> <p>1. Apex Frozen Foods Limited # 389/1, Korangi village, Tallarevu (Mandal) East Godavari District , A.P. 533461</p>
xvi.	Address for correspondence	<p>Registered Office: 3-160, Panasapadu, Kakinada, East Godavari District, Andhra Pradesh -533005.</p>
xvii.	Credit ratings given by CRISIL for bank loan facilities	<p>Long term Rating: CRISIL A- (Stable)(Reaffirmed) Short term rating: CRISIL A2+ (Stable)(Reaffirmed)</p>





5. Other disclosures

i. Disclosure on materially significant Related Party Transactions

There are no materially significant related party transactions of the Company which have potential conflict with the interest of the Company at large.

Your Company has formulated a Policy on materiality of Related Party Transactions and also dealing with Related Party Transaction same is available at company website www.apexfrozenfoods.in.

ii. Details of non-compliance by the listed entity, penalties, strictures imposed on the listed by Stock Exchange(s) or the Board or any Statutory Authority on any matter related to Capital markets during last 3 years:

Nil

iii. Whistle Blower Policy and affirmation that no personnel have been denied access to the Audit Committee.

The Company has in place a Whistle Blower Policy for Vigil mechanism for Directors and employees to report to the management about the unethical behavior, fraud, violation of Company's Code of Conduct. None of the personnel have been denied access to the chairman of Audit Committee.

iv. Disclosure under Sexual Harassment of Women at Workplace

The Company has in place the requisite Internal Committees as envisaged in the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

Complaints on the issues covered by the above Act were received during the year as follows:

- number of complaints filed during the financial year 2020-21: Nil
- number of complaints disposed of during the financial year 2020-21: Nil
- number of complaints pending as at the end of the financial year 2020-21: Nil

v. Disclosure regarding compliances made with Mandatory requirements and adoption of Non-Mandatory requirements.

All mandatory Requirements were complied with for the year ending 31.03.2021.

- The Company has fulfilled the following non-mandatory requirements as prescribed in Schedule II, PART E of Regulation 27(1) of (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to the following:
 - Audit Qualification – The financial statements of the Company of the Company are unqualified.
 - Shareholders' Rights: As the quarterly and half yearly financial performance are submitted to the Stock Exchanges, published in the press and posted on the Company's website. These are not sent to shareholders separately.

vi. CEO/CFO Certification

In terms of Part-B of Schedule – II read with Regulation 17(8) of the SEBI (LODR) Regulations, 2015, the Certificate duly signed by the Managing Director and CFO of the Company was placed before the Board of Directors along with the financial statements for the year ended 31.03.2021, at its meeting held on 25.06.2021 and forms part of this Annual Report and same is annexed as **Annexure- IA** forms an integral part of the Annual Report.

vii. Policy on Material Subsidiaries

Your Company does not have any Subsidiaries; hence, it has not adopted any policy on Material Subsidiaries.

viii. 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.

ix. Compliance with Corporate Governance requirements

Your Company has complied with corporate governance requirements specified in regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.



x. Details with respect to utilisation of funds raised through Preferential Allotment or Qualified Institutions

Placement:

During the Year, the Company has not raised funds through preferential allotment or qualified institutional placement as specified under Regulation 32 (7A) of the SEBI LODR Regulations, 2015

xi. Certificates from a Practising Company Secretary

- a. The Company has obtained a Certificate from a Practising Company Secretary confirming that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/Ministry of Corporate Affairs or any such statutory authority and is annexed as Annexure- I B and forms an integral part of the Annual Report.
- b. The Company has obtained a Certificate from a Practising Company Secretary confirming that it is in compliance with the conditions of Corporate Governance as stipulated in Para C of the Schedule V of the LODR Regulations and same is annexed as Annexure- IC and forms an integral part of the Annual Report.

xii. Disclosure with respect to payment made to Statutory Auditors

Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part: **Rs. 10,00,000/-**

xiii. During the year, the board has accepted all the recommendations of all the committees of board.

Declaration by the Managing Director under para D of schedule V of the SEBI (Listing obligations and disclosure requirements) regulations, 2015

Code of Conduct

In terms of Reg.26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that all the Board members and Senior Management Personnel of the Company have affirmed compliance with the respective Codes of Conduct, as applicable to them for the year ended 31st March, 2021.

For Apex Frozen Foods Limited

Sd/-

K. Satyanarayana Murthy
Chairman & Managing Director
DIN 05107525

Place: Panasapadu, Kakinada
Date: 14.08.2021



Compliance Certificate by Managing Director (MD) and Chief Financial Officer (CFO)

We, K. Satyanarayana Murthy, Managing Director and Mr. Ch. Vijay Kumar, CFO of M/s. Apex Frozen Foods Limited, to the best of our knowledge and belief, certify that:

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

- these statements do not contain any materially untrue statement or omit any material facts or contain statements that might be misleading;
- these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

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

We are responsible for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and disclosed to the auditors and audit committee, the deficiencies in the design and operation of such internal controls and the steps taken to rectify these deficiencies.

We have indicated to the auditors and the audit committee that

- there are no significant changes in internal control over financial reporting during the year.
- there are no significant changes in accounting policies during the year except as stated in the notes to financial statements
- there are no frauds of which we are aware, that involves management or other employees who have a significant role in the Company's internal control system.

For & On behalf of Apex Frozen Foods Limited

Place: Panasapadu, Kakinada
Date: 14.08.2021

Sd/-
K. Satyanarayana Murthy
Chairman & Managing Director
DIN 05107525

Sd/-
Ch. Vijay Kumar
Chief Financial officer

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members,
Apex Frozen Foods Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of APEX FROZEN FOODS LIMITED having CIN L15490AP2012PLC080067 and having registered office at 3-160, Panasapadu, Kakinada, East Godavari, Andhra Pradesh, 533005 (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Mr. Karuturi Subrahmanya Chowdary	03619259	30/03/2012
2	Mr. Satyanarayana Murthy Karuturi	05107525	30/03/2012
3	Mrs. Karuturi Neelima Devi	06765515	18/12/2013
4	Mr. Lakshmipathi Mantena Raju	07717931	25/01/2017
5	Mr.Venkata Subba Raju Datla	07717952	25/01/2017
6	Mrs.Deepthi Talluri	08726143	31/03/2020

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate 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.

Date: 14.08.2021
 Place: Hyderabad
 UDIN: A053561C000785028

for M/s A. S. Ramkumar & Associates
 Company Secretaries

Sd/-
 Arun Marepally
 Partner
 ACS 53561
 CP. 19797.



Certificate on Corporate Governance

To,
The Members
Apex Frozen Foods Limited

We have examined the compliance of conditions of Corporate Governance by Apex Frozen Foods Limited ('the Company') for the year ended 31st March, 2021 as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15 (2) of the Listing Regulations.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: 14.08.2021
Place: Hyderabad
UDIN: A053561C000785061

for M/s A.S.Ramkumar & Associates
Company Secretaries

Sd/-
Arun Marepally
Partner
ACS 53561,
CP. 19797

Form No. MR-3

Secretarial Audit Report

For the financial year ended 31st March 2021

[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
Apex Frozen foods Limited
3-160, Panasapadu, Kakinada,
East Godavari District,
Andhra Pradesh -533005.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Apex Frozen Foods Limited. 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 my verification of the Apex Frozen Foods Limited 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, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 complied with the statutory provisions listed here under 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 here in after.

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by Apex Frozen Foods Limited for the financial year ended on 31st March 2021, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and by-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- 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 SEBI (Share based employee benefits) Regulations, 2014 ;
 - c. The SEBI (Prohibition of Insider Trading) Regulations, 2015
 - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable to the Company during the Audit Period);
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008: (Not applicable to the Company during the Audit Period);
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 : (Not applicable to the Company during the Audit Period);
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018: (Not applicable to the Company during the Audit Period);
 - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- vi The Company has identified the following laws specifically applicable to the Company:
 - a. Marine Products Export Development Authority Act, 1972 and rules made thereunder.



- b. Coastal Aquaculture Authority Act, 2005 and rules made thereunder.
- c. The Water (Prevention and control of pollution) Act, 1974
- d. The Air (Prevention and control of pollution) Act, 1981
- e. The Environment Protection Act, 1986 and rules made thereunder
- f. Hazardous Waste (Management and Handling and transboundary Movement) Rules, 2008
- g. Customs Act, 1962
- h. The Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013
- i. Food Safety and Standards Act, 2006
- j. The Legal Metrology (Packaged Commodities) Rules, 2011
- k. Factories Act, 1948
- l. Industrial Disputes Act, 1947
- m. The Payment of Wages Act, 1936
- n. The Minimum Wages Act, 1948
- o. Employee State Insurance Act, 1948
- p. Employees Provident Funds and Miscellaneous Provisions Act, 1952
- q. The Payment of Bonus Act, 1965
- r. The Payment of Gratuity Act, 1972
- s. The Contract Labour (Regulation & Abolition) Act, 1970
- t. The Child Labour (Prohibition & Regulation) Act, 1986
- u. The Industrial Employment (Standing Order) Act, 1946
- v. Equal Remuneration Act, 1976
- w. Shops and Establishment Act, 1988
- x. Trade Marks Act, 1999

Further, we have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India., with respect to Board and General Meetings.
- ii. The Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 etc. as mentioned above.

We further report that the Company has, in our opinion, complied with the provisions of the Companies Act, 2013 and the Rules made thereunder as notified by Ministry of Corporate Affairs and the Memorandum and Articles of Association of the Company.

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. During the period under review, no changes in the composition of the Board of Directors took place.
- 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.
- As per the minutes of the Board Meetings and Committee Meetings, the decisions of the Board and Committee as the case may be were unanimous and no dissenting views have been recorded.

We further report that during the audit period the Company does not have any major events / actions which either directly or indirectly effect the Company's affair in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

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 such as direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed in this audit since the same have been subject to review by statutory financial audit and other designated professionals.

Place: Hyderabad
Date: 14.08.2021
UDIN: A053561C000785050

for A. S. Ramkumar & Associates
Company Secretaries

Sd/-
Arun Marepally
Partner
ACS 53561, CP. 19797

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

Annexure A

To,
The Members
Apex Frozen Foods Limited

Our Report of Even date is to be read along with this letter

1. It is the responsibility of the Management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. We believe that audit evidence and information provided by the Company's Management is adequate and appropriate for us to provide a basis for our opinion.
6. 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 procedure on test basis.
7. 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.
8. The continuing uncertainties and restrictions on opening of offices and in the movement of people across the country arising out of COVID-19 has resulted in limiting our access to physical records of the Company. However, owing to the lockdown measures imposed across the country and the cascading impact thereof, for certain verifications and cross checks, we have relied on the Management representations and assurances, wherever required, for forming our opinion and eventual reporting.

Place: Hyderabad
Date: 14.08.2021
UDIN: A053561C000785050

for A. S. Ramkumar & Associates
Company Secretaries

Sd/-
Arun Marepally
Partner
ACS 53561,
CP. 19797



The Annual report on CSR activities to be included in the Board's Report for FY 2020-21

1. Brief outline of the Company's CSR policy.

Apex Frozen Foods Limited (AFFL) CSR policy is aimed at demonstrating care for the community through its focus on education & skill development, health & wellness and environmental sustainability including biodiversity, energy & water conservation. The projects undertaken will be within the broad framework of Schedule VII of the Companies Act, 2013.

Resources

2% of the average net profits of the Company made during the three immediately preceding financial years; any income arising there from; Surplus arising out of CSR activities.

Areas Identified for CSR activities

The areas where the Company intends to focus its CSR activity are listed below. This is not an exclusive list and the Company may include other activities, based on the areas identified and felt need for improvement by the CSR Committee-

- Eradicating hunger, poverty and malnutrition.
- Promoting Health care including Preventive Health care.
- Ensuring environmental sustainability and ecological balance.
- Employment and livelihood enhancing vocational skills and projects.
- Promotion of education especially among children, women, elderly.
- Promoting gender equality and empowering women
- Rural Development Projects
- Education & skill development, health & wellness and environmental sustainability including biodiversity, energy & water conservation.

AFFL will engage in the above activities independently or in such manner that it will complement the work being done by local authorities wherever necessary, in such a manner that the work executed by AFFL will offer a multifold benefit to the community.

2. Composition of the CSR Committee as on 31.03.2021:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mrs. K Neelima Devi	Chairman	1	1
2	Mr. K Satyanarayana Murthy	Member	1	1
3	Mr. Lakshmipathi Raju Mantena	Member	0	0

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: www.apexfrozenfoods.in

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable : Not applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Nil

6. Average net profit of the company as per section 135(5): Rs. 9566.17 lakhs

7. (a) Two percent of average net profit of the company as per section 135(5):Rs. 191.32 lakhs

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

(c) Amount required to be set off for the financial year, if any: Nil

(d) Total CSR obligation for the financial year (7a+7b-7c):Rs. 191.32 lakhs

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.lacs)	Amount Unspent (in Rs.lacs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
171.25	245.73	31.03.2021	NA	NA	NA

(b) Details of CSR amount spent against ongoing projects for the financial year:

Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in Rs. lakhs)	Amount spent in the current financial Year (in Rs. lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs. lakhs)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
			State	District						Name	CSR Registration number.
NIL											



(C) Details of CSR amount spent against other than ongoing projects for the financial year

Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount allocated for the project (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number.
1.	Construction of monument	protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts	Yes	Andhra Pradesh,	Krishna District	11.54	Yes	N.A	N.A
2.	Promotion of Traditional Art	protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts	Yes	Andhra Pradesh,	East Godavari District	4.15	Yes	N.A	N.A
3	Covid- 19 relief expenses	Eradicating hunger, poverty and malnutrition, 'promoting health care including preventive health care and sanitation and making available safe drinking water and disaster management.	Yes	Andhra Pradesh,	East Godavari District	155.56	Yes	N.A	N.A
Total						171.25			

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): 171.25Lakhs

(g) Excess amount for set off, if any

Sr. No.	Particular	Amount (in Rs. lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	191.32
(ii)	Total amount spent for the Financial Year	171.25
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.00
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.00
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.00

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs)	Date of transfer.	
1.	2017-18	32,40,441	0	-	-	-	32,40,441
2.	2018-19	54,87,542	0	-	-	-	54,87,542
3.	2019-20	71,02,671	0	-	-	-	71,02,671
	Total	1,58,30,654	0				1,58,30,654

(b) Details of CSR amount spent in the financial year for on-going projects of the preceding financial year(s):

Sl. No.	Project ID	Name of the Project.	Financial Year in which the project was commenced	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs lakhs).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /On-going.
NIL								



10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: Nil

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): The Board has identified the amounts for on-going Projects and the said un –spent amount will be spent based on need of On-going Projects on timely basis.

For Apex Frozen Foods Limited

Place: Panasapadu, Kakinada
Date: 14.08.2021

Sd/-
K. Neelima Devi
Chairman CSR Committee

Sd/-
K. Satyanarayana Murthy
Chairman Director
DIN 05107525

ANNEXURE-IV
DISCLOSURES PURSUANT TO SECTION 197 (12) OF THE COMPANIES ACT, 2013 AND RULE 5 OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Required disclosures under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as under:

1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year

Sl.No.	Name	Designation	Total remuneration (Rs in Lakhs)	Ratio of remuneration of director to the median remuneration
1	Mr.K .Subrahmanya Chowdary	Executive Director	126.00	817:1
2	Mr. K. Satyanarayana Murthy	Managing Director	126.00	817:1
3	Mrs. K. Neelima Devi	Whole time Director	93.75	608:1

Notes:

- The aforesaid details are calculated on the basis of remuneration for the financial year 2020-21.
- The remuneration to Directors includes sitting fees paid to them for the financial year 2020-21.
- Median remuneration of all its employees is Rs.15,413/- for the financial year 2020-21.

2. The percentage increase/decrease in the median remuneration of employees in the financial year 2020-21:11.00%
3.The number of permanent employees on the rolls of Company:

Executive & Staff	426
Workers	2856
Total	3282

4. Average percentile increase already made in the salaries of employees other than the managerial personnel

in the last financial year and its comparison with the percentile increase in the Key Managerial Remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration

Particulars	2019-20	2020-21	Increase %
Average salary of all employees (in Rupees) (Other than Key Managerial Personnel)	13862	15413	11.00
Salary of Managing Director (Rs in lakhs)	168.00	126.00	(25.00)
Salary of Whole Time Director (Rs in lakhs)	168.00	126.00	(25.00)
Salary of Whole Time Director (Rs in lakhs)	125.00	93.75	(25.00)
Salary of Chief Financial Officer (Rs in lakhs)	8.00	10.20	27.50
Salary of Company Secretary (Rs in lakhs)	4.20	4.20	0.00



5. List of top ten employees of the Company in terms of remuneration drawn and employed throughout the financial year 2020-21.

Name(s)	Salary P.A (Rs in lakhs)	Qualification	Years of exp.	Previous employment
D. SatyaMadhavi	13.20	M.SC	19	Jasper Aqua
M. Satyanarayana	13.20	ITI	27	NJR Marine
N. Suresh	13.20	B.SC	12	Sandhya Marine

Notes:

1. No employee is a relative of any Director or Manager of the Company.
 2. All appointments are contractual and terminable by notice on either side.
 3. Remuneration includes salary, bonus, commission, various allowances, contribution to provident fund and superannuation fund and taxable value of perquisites excluding provision for gratuity and leave encashment.
 4. Company has not paid remuneration to any of the employee exceeding Rs 1.02 Crore
6. There is no employee in the Company, who has drawn the remuneration exceeding Eight lakhs and Fifty thousand per month during the financial year 2020-21.

For **On behalf of the Board**

Sd/-

K. Satyanarayana Murthy
Chairman & Managing Director
DIN 05107525

Place: Panasapadu, Kakinada
Date: 14.08.2021

Sd/-
K Subrahmanya Chowdary
Executive Director
DIN 03619259

Management Discussion and Analysis

Annexure –V

Disclaimer

This section contains a discussion on the opinions and perceptions of the Management on the trends that impact the Company. It has been collated from information available publicly and reports by various nodal and governmental agencies that the management believes to be accurate at the time of publishing this report. The Company does not undertake to update or revise any of the opinions or statements expressed in this report, consequent to, inter alia, revisions to the reports mentioned herein, new information, future events, or otherwise.

A. ECONOMIC ENVIRONMENT

The COVID-19 pandemic and the resultant economic disruption represents the largest economic shock the world has experienced in decades. The baseline forecast envisions an approximate 3.3% contraction in global GDP in 2020. Using market exchange rate weights, this has been the deepest global recession in decades, despite the extraordinary efforts of governments to counter the downturn with fiscal and monetary policy support. (Source: World Economic Outlook).

Global prospects remain highly uncertain one year into the pandemic. Amid exceptional uncertainty, the global economy is projected to grow 6.0% in 2021 and 4.4% in 2022. The outlook depends not just on the virus spread and vaccination drive to contain it, but it also hinges on how effectively economic policies deployed under high uncertainty can limit lasting damage from this unprecedented crisis. (Source: IMF economic database)

India was expected to have a very strong recovery with an estimated growth rate of 11% to 11.5% for Fiscal 2022 on a real growth basis. However, due to the severe impact of the second wave of COVID-19 pandemic, the projections have undergone further normalization to be at a growth of 9.5% for Fiscal 2022 (Source: IMF). This is still highest among the larger economies and is higher as compared to 5.4% projected growth for the global economy as per the United Nations. The Government continues to play its part in helping the economy with policy measures aimed at easing business processes as well as providing an impetus for growth.

B. INDUSTRY OVERVIEW

Global Shrimp Industry

Global shrimp trade in 2020 was characterized with good consumption and strong imports in the United States of America, the single largest world market for shrimp. In the second largest market, China, import declines were negligible from Ecuador but significant from Asian sources. Despite strong increases in Ecuadorian production, total world farmed shrimp production declined by 600,000 tonnes. Affected by the COVID-19 pandemic,

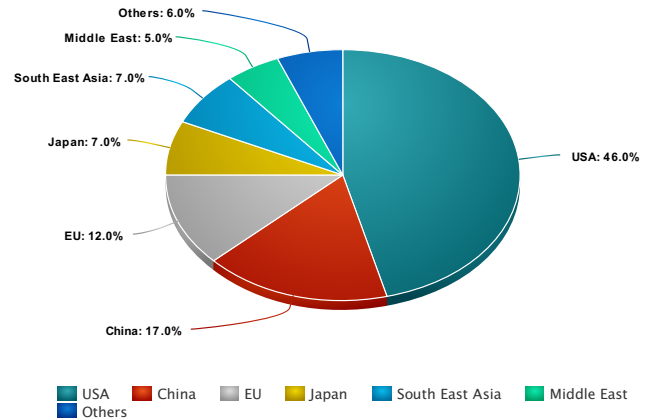
global production of marine farmed shrimp in 2020 was down nearly 15% y-o-y. The decline was 20% from Asian sources but production increased by 22% in Latin America because of the significant rise in Ecuador's harvest (+19% to 705,000 tonnes).

While shrimp prices remained weak in the initial period, the green shoots of recovery helped stabilize it over the second half of CY 2020.

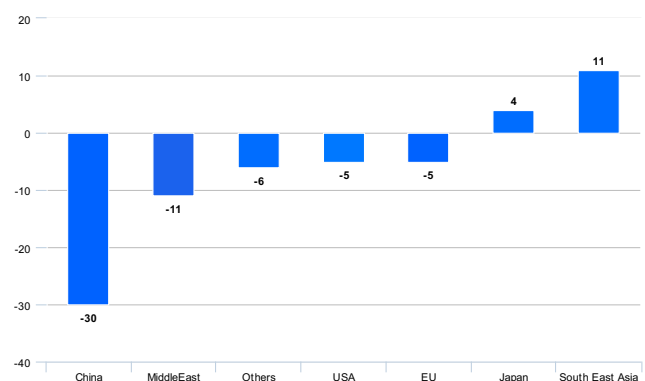
India Shrimp Industry

India's shrimp production in Fiscal 2021 continued to grow on the back of increased area under culture and enhanced productivity. Shrimp exports, however, saw a fall of almost 10% with 5,90,275 MT being exported in Fiscal 2021 as against 6,52,253 in Fiscal 2020. While the countries that India has been exporting to remained stable, the proportion of witnessed some change. In Fiscal 2021, USA remained the largest market albeit with increased share and China at the second position, although the share of China lowered by almost 500 bps in Fiscal 2021. European Union, the third largest market for India, remained largely stable.

Indian Shrimp Exports – Market wise share in Fiscal 2021




Indian Shrimp Exports – Market wise growth in Fiscal 2021



Source: Ministry of Commerce, Gov



 **11.9%**
OPERATING PROFIT MARGIN

 **5.4%**
NET PROFIT MARGIN



Outlook Fiscal 2022

Production: While the harvesting season was impacted by the second wave, the production ecosystem was better prepared and as a result, while there was some impact, production is expected to remain stable.

Demand: While the hotel, restaurant and catering (HORECA) sector remained deeply impacted by the lockdowns imposed in several areas, green shoots of recovery are being witnessed. Shrimp was the big winner in the US market: what we've seen in the pandemic is that consumers have moved towards food they are familiar with – they buy what they know to cook at home. There were huge leaps in retail sales during 2020: frozen raw shrimp, a \$2 billion industry, went up by an incredible 47%, frozen cooked shrimp by 25%.

C. BUSINESS OVERVIEW

Company overview:

The Company is a producer and exporter of variants of processed L. Vannamei (White leg) and Black Tiger shrimp with strong presence across most part of the value chain. Our clientele consists of food companies, retail chains, restaurants, club stores and distributors spread across the markets of the USA, European countries and China.

The Company's integrated operations include three Hatcheries with a combined breeding capacity of about 1.2 to 1.4 billion SPF seeds, shrimp pre-processing and Processing capacity of 29,000 MTPA and Cold storage capacity of 3,500 MT.

The Company's total employee strength as of March 2021 stood at 3282.

Fiscal 2021 and Outlook

The Company's expansion and consolidation plan has been completed and with the new product line capacity coming online, the Fiscal 2021 saw an improvement in the product mix with the value-added products gaining share in overall sales. Going forward, the Company is likely to continue to see this positive momentum play out. Shrimp prices have remained largely stable in Fiscal 2021 with some signs of firming up coming in towards the last quarter of the year.

Despite lower sales volumes due to Covid-19 led disruptions and discontinuation of the MEIS benefit, the Net Revenue remained



7.6 times
CURRENT RATIO



4.8 times
INTEREST COVERAGE

largely flat. Further, the EBITDA margin too saw only a slight correction, in fact the core margin (excluding Export benefits) improved in Fiscal 2021 underscoring the inherent cost savings of operationalisation of the new processing plant and cold storage facilities, and importantly strong cost discipline followed by the Company coupled with lower raw material costs and improving product and customer mix.

With the expanded capacity coming online, the value-added products seeing acceptance by customers, and the continuing cost optimisation measures, the Company is in a strong position to capitalise on the growth opportunities in the Industry.

D. OPPORTUNITIES AND THREATS

Opportunities

With a long coastline and other geographical advantages, India has a competitive edge and is well suited for developing the Aquaculture industry. The success story of L. Vannamei could be replicated for other species of fish and thereby strengthening India's position in the seafood export markets, globally. Further, given its small presence currently, India could increase its market share in value added products going forward.

The global consumption pattern is witnessing a change, at least in the near term, with consumers staying at home and reducing their eating-out experiences. As this is happening, retail sales are seeing an uptick as compared to food service sales. Over the years, the Company has been strategically focusing on improving its customer mix to make end-use customers as the key market and this strategy has benefitted the Company given the current situation and market dynamics

Threats

One of the key threats for the Aquaculture Industry is the risk of disease, and in the present situation, any outbreak could threaten the long-term prospects of the Industry. Further, being situated near the coastline and water bodies, several parts of the supply chains are susceptible to the vagaries of nature such as the recent cyclones that made landfall on the east coast of India. While natural calamities are difficult to prepare for, measures such as traceability and scientific pond management help reduce the impact of diseases.

E. RISK MANAGEMENT

The Company's revenues are largely realised in foreign currency. Further, the nature of the business requires investment in working capital and therefore management of liquidity positions carefully.

Foreign Exchange Risk

The Company is exposed to foreign exchange rate risk as a significant portion of the revenues are denominated in foreign currencies, while a large part of the expenses is incurred in the Indian currency. Any appreciation in the value of the Indian Rupee (INR) against the U.S. Dollar (USD) or other foreign currencies would decrease the realization of the Company's products in INR terms. The exchange rate between INR and USD has changed substantially in recent years and may continue to fluctuate significantly in the future. While the Company does partially hedge its positions, the recent movements in currencies could mean that a certain portion of the risk could still impact profitability.

Liquidity Risk

The Company's approach to managing liquidity is to ensure, as far as possible, to 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 our reputation. The Company has thus far managed to ensure that relationships with customers and suppliers are cordial and will continue working on that ethos.

F. INTERNAL CONTROL SYSTEMS

The Company's independent and robust Internal Audit processes provide assurance on the adequacy and effectiveness of internal controls, compliance with operating systems, internal policies, and regulatory requirements.

The Company has in place an adequate system of internal control commensurate with its size and nature of its business. These have been designed to provide reasonable assurance that all assets are safeguarded and protected against loss from unauthorized use or disposition and that all transactions are authorized, recorded, and reported correctly and the business operations are conducted as per the prescribed policies and



0.38 times
DEBT EQUITY RATIO



10.6%
RETURN ON NET-WORTH

procedures of the Company.

The Audit committee and the management have at periodic intervals, reviewed the adequacy of the internal control systems and suitable steps are taken to improve the same.

G. Discussion on financial performance and key financial ratios

The Financial Statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

A combination of factors resulted in disruptions to sales of finished products during the year, beginning with the lockdown. The key impact of Covid 19 was a global disruption in sea transport

causing a deduced container availability, delayed dispatches and ultimately resulted in Elongated WC Cycle (increased inventory & debtor days). As a result, the total volumes sold de-grew by 4% to 11,701 MT in Fiscal 2021. However, on account of improved product mix, the total income remained largely flat at Rs 8,260 million in Fiscal 2021 from Rs 8,461 million in Fiscal 2020. The overall profitability was lower largely due to discontinuation of MEIS, increased sales expenses, higher depreciation due to commissioning of new plant and interest costs due to higher WC requirement. However, the core operating margins (excluding export benefits) improved over the previous fiscal.

Key Financial Ratios

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

Financial Ratio	Fiscal 2021	Fiscal 2020
Operating Profit Margin	11.9%	12.5%
Net Profit Margin	5.4%	7.2%
Debtors Turnover (times)	7.0	9.6
Inventory Turnover (times)	4.7	5.7
Current Ratio (times)	7.6	3.9
Interest Coverage Ratio (times)	4.8	8.6
Debt-Equity Ratio (times)	0.38	0.36
Return on Net-worth (%)	10.6%	16.1%



Notes:

1. Net Profit margin and Return on Net-worth have been calculated based on Profit after Tax and before Other Comprehensive Income. Net profitability impacted due to higher depreciation and finance costs on account of commissioning of new plant and higher working capital respectively
2. Debtor and Inventory Turnover ratio have been calculated based on Net Revenue
3. Inventory Turnover reduced due to relatively higher inventory, on account of accumulated raw & semi processed and processed goods due to Covid-19 situation
4. Current ratio increased due to higher inventory and debtor levels
5. Interest coverage ratio lowered as finance cost increased in-line with increased debt, largely to meet working capital requirements

Business Responsibility Report

Section A: General Information about the Company

- 1) Corporate Identity Number (CIN) of the Company: L15490AP2012PLC080067
- 2) Name of the Company: Apex Frozen Foods Limited
- 3) Registered Address: 3-160, Panasapadu, Kakinada, East Godavari 533005, Andhra Pradesh, India
- 4) Website: www.apexfrozenfoods.in
- 5) Email: cs@apexfrozenfoods.com
- 6) Financial Year Reported: 2020-21
- 7) Sector(s) that the Company is engaged in (industrial activity code-wise NIC-2008):
 - a) 1020 – Processing and preserving of fish, crustaceans and molluscs and products thereof
- 8) List three key products/services that the Company manufactures/provides (as in balance sheet):
 - a) Headless, Shell-on Shrimp
 - b) Easy Peel Shrimp
 - c) Peeled Shrimp
 - d) Cooked Peeled Shrimp
 - e) Shrimp Rings and Cocktail Sauce
 - f) Seasoning Shrimp
- 9) Total number of locations where business activity is undertaken by the Company
 - a) Number of International Locations: NIL
 - b) Number of National Locations: Two (2) Processing Plants; One (1) Pre-Processing Unit; Three (3) Hatcheries
- 10) Markets served by the Company: Local/State/ National/International
 - a) National: The shrimp seed from the Company's Hatcheries is marketed to shrimp farmers in the state of Andhra Pradesh.
 - b) International: During the year under review, the Company exported processed shrimp to the USA, European Union, and China

Section B: Financial Details of the Company

- 1) Paid Up Capital: Rs. 3,125.00 lacs
- 2) Total Turnover: Rs. 81,848.41 lacs
- 3) Total Profit after Taxes: Rs. 4,428.52 lacs
- 4) Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%): 3.87%
- 5) The Company has spent Rs. 171.21 lakhs on CSR which formed 3.87% of the profit after tax for the financial year 2020-21.
- 6) List of activities in which expenditure in 4 above has been incurred:
 - a) protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art.
 - b) Promoting Health care and Disaster management
 - c) Promotion of Traditional Art

Section C: Other Details

- 1) Does the Company have any Subsidiary Company/Companies?
 - No
- 2) Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company?
 - Not Applicable
- 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?
 - The Company engages with many suppliers, distributors, farmers and third parties. None of these entities participate in the BR activities / initiatives of the Company.

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



Particulars	Details
DIN Number	05107525
Name	Mr. K Satyanarayana Murthy
Designation	Chairman & Managing Director

b) Details of the BR head

Particulars	Details
DIN Number	03619259
Name	KARUTURI SUBRAHMANYA CHOWDARY
Designation	Executive director
Telephone number	0884 2383902
E-mail ID	cs@apexfrozenfoods.com

2) Principle-wise (as per NVGs) BR Policy/policies

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are as follows:

P1	Business should conduct and govern themselves with Ethics, Transparency and Accountability
P2	Business should provide goods and services that are safe and contribute to Sustainability throughout their life cycle
P3	Business should promote the well- being of all employees
P4	Business should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
P5	Business should respect and promote human rights
P6	Business should respect, protect and make efforts to restore the environment
P7	Business, when engaged in influencing public and regulatory policy, should do so in a responsible manner
P8	Business should support inclusive growth and equitable development
P9	Business should engage with and provide value to their Customers and consumers in a Responsible manner



2) Principle-wise (as per NVGs) BR Policy/policies

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are as follows:

Sl. No.	Name of the Member	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2	Has the policy being formulated in consultation with the relevant stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Yes, Policy conform to National Voluntary Guidelines on Social Environmental and Economic Responsibilities of Business issued by Ministry of Corporate Affairs								
4	Has the policy been approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Yes, The policies have been approved by the Board and signed by Managing director / executive director								
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
6	Indicate the link for the policy to be viewed online?	Policies are available on the website of the Company www.apexfrozenfoods.com and the policies which are internal to the Company are available on the intranet of the Company.								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
8	Does the company have in-house structure to implement the policy/policies?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	No	No	No	No	No	No	No	No	No



If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sl. No.	Name of the Member	P1	P2	P3	P4	P5	P6	P7	P8	P9
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 months	NA	NA	NA	NA	NA	NA	NA	NA	NA
5	It is planned to be done within 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:

- a) 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:
 - Once a year
- b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?
 - This is the second year that the BR report is applicable to the Company and it forms a part of the Annual Report.

Section E: Principle-Wise Performance

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

Apex frozen Foods Limited lays a strong emphasis on ethical corporate citizenship and establishment of good corporate culture. It has always believed in adhering to the best governance practices to ensure protection of interests of all stakeholders of the Company in tandem with healthy growth of the Company. The Company has always discouraged practices that are abusive, corrupt, or anticompetitive. Our philosophy is to conduct the business with high ethical standards in our dealings with all the stakeholders that include employees, customers, suppliers, government and the community. The Company has a strong and effective Whistle Blower Policy which aims to deter and detect actual or suspected misconduct. It has been established to ensure that genuine concerns of misconduct/ unlawful conduct, which an individual believes may be taking place within the organisation, are raised at an early stage in a responsible and confidential manner. This mechanism also provides for adequate safeguards against victimisation of employees who avail of the mechanism. Any employee may report such incident without fear to the Chairman of the Audit Committee. The Policy on Vigil Mechanism may be accessed on the Company's website at http://apexfrozenfoods.in/wp-content/uploads/2017/11/Apex_Whistle-Blower-Policy.pdf

- 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, Key Managerial Personnel and Senior Managers covers the fundamentals of the first principle.

- 2) How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.
- As laid out the Corporate Governance Report, the Company not received any Investor Complaints during the financial year 2020-21

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

- 1) List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.
- a) The Processing plants & hatcheries are designed to ensure that the practices followed consider the environment right from procurement, packing to discharge of waste materials
- 2) For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):
- a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?
- Reduction in sourcing / distribution is proportionate to our business. There has been no reduction in resource usage other than this
- b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?
- There has been no material change in the usage patterns of energy and water in comparison to the previous year.
- 3) Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.
- Yes, the Company has procedures in place for sustainable sourcing throughout its supply chain. In our mission to reduce our environmental impact, the involvement of our supply chain partners is vital. We encourage our partners to adopt sustainable practices in their operations for improvement in their environmental performance.
- 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?
- Yes, the Company sources raw shrimp from local and small producers. With the purpose of achieving sustainable procurement, local sourcing is an essential aspect in developing the supply chain and hence most of the shrimp that is processed comes from within almost 20 to 250 kms of the Company's operating base. The Company also supports local producers by providing technical inputs to upgrade and maintain the quality of their produce
- 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%). Also, provide details thereof, in about 50 words or so.
- The Company has a mechanism of recycling products and waste which is less than 5%.

Principle 3: Businesses should promote the well-being of all employees

- 1) Please indicate the total number of employees: 3282
- 2) Please indicate the total number of employees hired on temporary/contractual/casual basis: 280
- 3) Please indicate the number of permanent women employees: 20
- 4) Please indicate the number of permanent employees with disabilities: 2
- 5) Do you have an employee association that is recognized by management: Nil
- 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 on the end of the financial year.

Sl.No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
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?
- Permanent Employees: 100%
 - Permanent Women Employees: 100%
 - Casual/Temporary/Contractual Employees: 100%
 - Employees with Disabilities: 100%

Principle 4: Businesses should respect the interests of, and be responsive to the needs of all stakeholders, especially those who are disadvantaged, vulnerable, and marginalized

- 1) Has the company mapped its internal and external stakeholders? Yes/No
- Yes, the Company has mapped its internal and external stakeholders as follows:
 - Employees
 - Customers
 - Suppliers
 - Shareholders
 - Bankers
 - Regulatory Authorities
 - Members of the Society
- 2) Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?
- The Company is engaged with its stakeholders and focusses on being responsive and proactive in communicating with them and is sensitive towards their needs and expectations. The Company is in the process of identifying the disadvantaged, vulnerable & marginalized stakeholders to be able to undertake special initiative based on the need of such stakeholders
- 3) Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.
- The Company undertakes various social initiatives in and around the vicinity of the Company's facilities.

Principle 5: Businesses should respect and promote human rights

- 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 current policy of Human Rights currently covers the Company and its employees.
- 2) How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?
- There were no complaints regarding human rights violation during the past financial year 2020-21

Principle 6: Business should respect, protect, and make efforts to restore the environment

- 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 current policy pertaining to the Environment covers the Company and its employees
- 2) Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.
- The Company is conscious of its role in ensuring the protection of the environment and it has adhered to all laid down principles of water conservation, making the supply chain more sustainable by guiding our key suppliers to incorporate sustainability initiatives into their operations etc. Further, we have ensured that our plants are equipped with class leading equipment to reduce wastage and effluents.
- 3) Does the company identify and assess potential environmental risks? Y/N
- No
- 4) Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?
- No, the Company does not have any projects registered with the United Nations Framework Convention on Climate Change (UNFCCC) as a Clean Development Mechanism (CDM) project in the reporting year
- 5) Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.
- The Company constantly explores means to reduce energy consumption through vigilant energy management and through the adoption of emerging efficient renewable technologies.
- 6) Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being

reported?

- Yes, all the facilities of the Company comply with the prescribed emission norms of State Pollution Control Boards and the emissions and waste generated during the financial year 2020-21 were within the permissible limits given by SPCB

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

- Nil

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

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)

- The Company has 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: Businesses should support inclusive growth and equitable development

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

- The Company's CSR policy is aimed at demonstrating care for the community through its focus on education & skill development, health & wellness and environmental sustainability including biodiversity, energy & water conservation.

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

- The Company engages in the above activities independently or in such manner that it will complement the work being done by local authorities wherever necessary in such a manner, that the work executed by the Company will offer a multi fold benefit to the community.

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

- The Company's CSR Committee does a periodic assessment of the various initiatives being undertaken and ensures that the impact of these initiatives is reaching the intended targets.

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

Sl.No.	Purpose for which CSR project undertaken	Recipient of CSR contribution	Cumulative expenditure upto to the reporting period
1	Covid relief activities	General public, surrounding areas of the company , Andhra pradesh	155.56 lakhs
2	Construction of monument	Nauyana Monastery	11.54 lakhs
3	Promotion of Traditional Art	Youngmen's Happy Club	4.15 lakhs



5) Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

- The CSR Committee undertakes relevant projects based on its assessment of the requirements of the residential communities and after discussion with the village committees. The Company believes that these programmes were well received by the community that they were intended for

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

1) What percentage of customer complaints/consumer cases are pending as on the end of financial year:

- zero

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 (additional information)?

- The Company displays all the mandatory information on the product labels as per the governing laws

3) Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.

- Nil

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

- Nil



Financial Statements





Independent Auditor's Report

To the Members of Apex Frozen Foods Limited

Report on the Audit of the Stand alone Ind AS Financial statements

Opinion

We have audited the accompanying standalone financial statements of Apex Frozen Foods Limited ("the Company"), which comprise the Balance Sheet as at Mar 31, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31 Mar 2021, and its profit, total comprehensive income, its cash flows and the changes in equity 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 specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the 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 matter to be communicated in our report.



Sl.No.	Key Audit Matter	Auditor's Response
1.	<p>Inventory of Finished Goods: 1. Inventory of Finished Goods Consists of processed prawn. Inventories were considered as Key Audit Matter due to huge value and valuation involves management judgement and possibilities of obsolescence due to nature of commodity and impact of Covid 19 on the same.</p> <p>Physical verification of inventories of finished goods was not physically done by us as at end of the year.</p>	<p>We have followed the below mentioned Audit Procedures to address the risk of material error if any:</p> <ul style="list-style-type: none"> • Evaluated the design and implementation of the controls over physical verification of above mentioned inventories of finished goods and suggested for implementation of various procedures for operative effectiveness of these controls during the year at regular intervals. • Management had carried out the physical verification of inventories in March end 2021. Due to the COVID – 19 related risk of exposure in cold storages, we were not able to participate in the physical verification of above mentioned inventories of finished goods that was carried out by the management as at the year end. However undertook test checks based on records maintained. • Assessed the compliance of company's accounting policies over inventory with applicable accounting standards • Verified the inventory valuation that was recorded at the lower of cost and net realizable value by testing sample of inventory items.

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report and Management Discussion and Analysis Report, 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 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, cash flows and changes in equity 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 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 statement 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 also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Annual financial results.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on Mar 31, 2021 taken on record by the Board of Directors, none of the directors are disqualified as on Mar 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". 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 does not have any pending litigations which would impact its financial position in its standalone Ind AS financial statements;
 - ii.** The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii.** There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- 2.** As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **BODA RAMAM & CO.,**
Chartered Accountants
FRN No: 005383S

Place: KAKINADA
Date: 25-06-2021
UDIN:21029123AAAAFP1303

Sd/-
(CA. BODA ANAND KUMAR)
Partner
Membership No: 029123



ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

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 Apex Frozen Foods Limited ("the Company") as of Mar 31, 2021 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the 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 Mar 31, 2021, based on the criteria for internal financial control over financial reporting 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 BODA RAMAM & CO.,
Chartered Accountants
FRN No: 005383S

Sd/-
(CA.BODA ANAND KUMAR)
Partner
Membership No: 029123

Place: KAKINADA
Date: 25-06-2021

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

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

- i. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- b) The Fixed Assets have not been physically verified by the management during the year.
- c) According to the information and explanations given to us and the records examined by us we report that the title deeds of immovable properties are held in the name of the company as at Balance Sheet date. However, it is observed that the title deeds of the factory land at Panasapadu, East Godavari, Andhra Pradesh continued to be in the name of the Partnership Firm M/s. Apex Exports which is an erstwhile firm converted as company under Part IX of the Companies act, 1956 in March,2012.
- ii. According to the information and explanation given to us, the management has conducted physical verification of inventory at reasonable intervals. The discrepancies noticed on physical verification of the inventory as compared to books & records which have been properly dealt with in the books of account were not material.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. According to the information and explanations given to us, the Company has not accepted any deposit during the year or did not had any unclaimed deposits at the beginning of the year and accordingly reporting under clause (v) of CARO 2016 is not applicable.



- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013.
- vii. According to the information and explanations given to us, in respect of statutory dues:
 - a) The Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income- tax, Goods and Service Tax, Customs Duty, cess and other material statutory dues applicable to it to the appropriate authorities.
 - b) According to the information and given to us, there are no dues of income tax, goods & service tax, Duty of Customs, duty of excise, outstanding on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company does not have any loans from financial institution except from Banks and LIC of India and has not issued any debentures.
- ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and term loans raised during the year are applied for the purpose for which they sanctioned.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the CARO 2016 Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.
- xv. The Company is not required to be registered under section 45 – IA of the Reserve Bank of India Act, 1934.
- xvi. In our opinion and according to the information and explanation given to us, during the year the company has not entered into any non – cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

For BODA RAMAM & CO.,
Chartered Accountants
FRN No: 005383S

Sd/-
(CA. BODA ANAND KUMAR)
Partner
Membership No: 029123

Place: KAKINADA
Date: 25-06-2021

Balance Sheet

Balance Sheet as at 31st March, 2021

(Rs. in Lakhs)

Particulars	Note	As at 31 st March, 2021	As at 31 st March, 2020
I. Assets			
Non-current Assets			
(a) Property, Plant and Equipment	3	25,040.32	26,666.55
(b) Right of use asset		-	1,354.45
(c) Capital Work-In-Progress	3	1,538.74	279.78
(d) Other Non-current Assets	4	266.61	494.09
(e) Deferred Tax Asset (Net)	5	231.04	337.39
Total Non-Current Assets		27,076.71	29,132.26
Current Assets			
(a) Inventories	6	16,120.08	18,404.99
(b) Financial Assets			
(i) Trade Receivables	7	15,458.87	7,912.19
(ii) Cash and Cash Equivalents	8	989.38	723.29
(iii) Other financial assets	9	2,265.39	1,618.97
(c) Current tax Asset (Net)		-	-
(d) Other Current Assets	10	3,767.99	4,858.70
Total Current Assets		38,601.71	33,518.14
Total Assets		65,678.42	62,650.40
II. Equity & liabilities			
Equity			
(a) Equity Share Capital	11	3,125.00	3,125.00
(b) Other Equity	12	40,856.94	36,461.23
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	13	2,806.08	2,406.29
(b) Deferred Tax Liabilities (Net)	5	0.00	0.00
(c) Other Non-Current Liabilities	14	28.31	28.31
Total Non-Current Liabilities		2,434.60	2,434.60



Particulars	Note	As at 31 st March, 2021	As at 31 st March, 2020
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	13,801.87	11,969.67
(ii) Trade Payables	16	2,998.05	4,533.23
(iii) Lease Liability		-	1,476.28
(iv) Other Financial Liabilities	17	183.67	403.77
(b) Provisions	18	559.64	993.76
(c) Current Tax Liability (Net)	19	1,347.17	1,252.86
Total Current Liabilities		18,890.40	20,629.56
Total Equity and Liabilities		65,678.42	62,650.40

Notes forming part of the financial statements 1- 34

The accompanying notes are an integral part of the financial statements
As per our report of even date

For **Boda Ramam & Co.**,
Chartered Accountants
Firm Registration No. 005383S

For and on behalf of the Board of directors

Sd/-
(CA. **Boda Anand Kumar**)
Partner
Membership No. 029123

Sd/-
K. S. Chowdary
Executive Director
DIN : 03619259

Sd/-
K. Satyanarayana Murthy
Chairman & Managing Director
DIN : 05107525

Place: Kakinada
Date: 25-06-2021

Sd/-
Ch. Vijaya Kumar
Chief Financial Officer

Sd/-
S. Sarojini
Company Secretary

Statement of Profit & Loss

Statement of Profit & Loss for the year ended 31st March, 2021

(Rs. in Lakhs)

Particulars	Note	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Revenue			
(a) Revenue from Operations	20	81,848.41	82,710.54
(b) Other Income	21	752.84	1,899.45
Total Revenue		82,601.25	84,609.99
Expenses			
(a) Cost of Materials	22	53,029.94	65,131.29
(b) Changes in Inventories	23	2,284.91	(7,776.50)
(c) Employee Benefits Expense	24	3,981.12	4,371.32
(d) Finance Cost	25	1,591.51	1,063.81
(e) Depreciation and Amortisation expense & Others	26	2,194.55	1,459.35
(f) Other Expenses	27	13,459.01	12,284.69
Total Expenses		76,541.04	76,533.95
Profit / (Loss) before exceptional items and tax		6,060.21	8,076.04
Exceptional items		-	-
Profit/(Loss) before tax		6,060.21	8,076.04
Tax Expenses			
1. Current tax		1,525.36	2,024.06
2. Deferred tax	5	106.33	(12.19)
Total Tax Expenses		1,631.69	2,011.87
Net Profit/(Loss) for the period after tax		4,428.52	6,064.17
Other Comprehensive Income (net of tax expense)		(32.79)	385.23
Total Comprehensive Income after tax		4,395.73	6,449.40
Earnings Per Equity share	28		
(a) Basic		14.17	19.41
(b) Diluted		14.17	19.41

The accompanying notes are an integral part of the financial statements
As per our report of even date

For **Boda Ramam & co.**,
Chartered Accountants
Firm Registration No. 005383S

For and on behalf of the Board of directors

Sd/-
(CA. Boda Anand Kumar)
Partner
Membership No. 029123

Sd/-
K. Satyanarayana Murthy
Chairman & Managing Director
DIN : 05107525

Sd/-
K. S. Chowdary
Executive Director
DIN : 03619259

Place: Kakinada
Date: 25-06-2021

Sd/-
Ch. Vijaya Kumar
Chief Financial Officer

Sd/-
S. Sarojini
Company Secretary



Statement of Changes in Equity

Statement of Changes in Equity for the year ended 31st March, 2021

(Rs. in Lakhs)

a. Equity		
Particulars	Number of Shares	Amount
Balance as at 1st April 2019	3,12,50,000	3,125
Changes in equity share capital during the year	-	-
Balance as at 1st April, 2020	3,12,50,000	3,125
Changes in equity share capital during the year	-	-
Balance as at 31st March 2021	3,12,50,000	3,125

b. Other Equity				
Particulars	Reserves & Surplus			
	Securities Premium	General Reserve	Retained Earnings	Total
Balance as at 1st April 2019	11,039.05	1,000.00	20,344.38	32,383.44
Add: Profit for the Year	-	-	6,449.40	6,449.40
Dividend declared during the year	-	-	(1,506.94)	(1,506.94)
Less: IPO Expenses	-	-	(121.83)	(121.83)
Less: Other Adjustments	-	-	(742.83)	(742.83)
Balance as at 31st March 2020	11,039.05	1,000.00	24,422.18	36,461.23
Balance as at 1st April 2020	11,039.05	1,000.00	24,422.18	36,461.23
Add: Profit for the Year	-	-	4,395.73	4,395.73
Less: Dividend Declared during the year	-	-	-	-
Balance as at 31st March 2021	11,039.05	1,000.00	28,817.91	40,856.94

The accompanying notes are an integral part of the financial statements
As per our report of even date
For **Boda Ramam & Co.,**
Chartered Accountants
Firm Registration No. 005383S

For and on behalf of the Board of directors

Sd/-
(CA. Boda Anand Kumar)
Partner
Membership No. 029123

Sd/-
K. Satyanarayana Murthy
Chairman & Managing Director
DIN : 05107525

Sd/-
K. S. Chowdary
Executive Director
DIN : 03619259

Place: Kakinada
Date: 25-06-2021

Sd/-
Ch. Vijaya Kumar
Chief Financial Officer

Sd/-
S. Sarojini
Company Secretary



Statement of Cash Flows

Statement of Cash Flows for the year ended 31st March, 2021

(Rs. in Lakhs)

Particulars	For the year ended 31 st March, 2021		For the year ended 31 st March, 2020	
A. Cash Flow from Operating Activities				
Profit before tax		6,060.21	8,076.03	
Adjustments for:				
Depreciation & Amortisation expense		2,194.55	1,459.35	
Finance Costs		1,457.34	936.40	
Interest Income & Sublease income		(85.65)	(63.20)	
Other Income - Profit on sale of assets		-	(26.08)	
Unrealised Gain/(Loss) on Forward Contracts		(469.17)	(143.08)	
Regrouping of Actuarial Gain or Losses		13.97	34.79	
Depreciation on Right of use of asset		(1,354.45)	446.17	
Operating Profit before working capital changes		7,816.80	10,720.37	
Changes in Working Capital:				
Increase / (Decrease) in Payables	(1,535.18)		1,384.81	
Increase / (Decrease) in Other Financial Liabilities	(220.10)		(102.36)	
Increase / (Decrease) in Short Term Provisions	353.41		994.89	
Increase / (Decrease) in Other Non Current Liabilities	399.79		1,696.38	
Decrease / (Increase) in Inventories	2,284.91		(7,776.50)	
Decrease / (Increase) in Receivables	(7,546.68)		1,442.25	
Decrease / (Increase) in Other Financial Assets	(646.42)		564.80	
Decrease / (Increase) in Other Current Assets	1,197.05		(1,462.91)	
Cash Generated From Operations		2,103.58		7,461.73
Net Income Tax Paid		(811.56)		(1,631.60)
Net Cash Flow from Operating Activities (A)		1,292.02		5,830.13
B. Cash Flow From Investing Activities				
Capital Expenditure on Property, Plant & Equipment	(1,258.96)		(3,846.92)	
Proceeds on Sale of Property, Plant & Equipment	-		26.08	
Other Non-Current Assets	(227.48)		(645.45)	
Interest Received	85.65		63.20	
Net Cash Flow from Investing Activities (B)		(1,400.79)		(4,403.12)
C. Cash Flow From Financing Activities				
Proceeds from issue of Equity	-		-	
Proceeds from Borrowings	1,832.20		2,392.34	
Repayment of Borrowings	-		-	
Utilisation of Securities Premium	-		-	
Dividends Paid (Including Corporate Dividend Tax)	-		(1,506.94)	
Application of Reserves	-		(710.92)	
Financing Charges	(1,457.34)		(936.40)	
Payment for lease liability	-		(609.31)	
Net Cash Flow from Financing Activities (C)		374.86		(1,370.33)
Net increase / (Decrease) in cash & Cash Equivalents(A+B+C)		266.09		56.68
Cash and Cash Equivalents as at the beginning of the year		723.29		666.61
Cash and Cash Equivalents as at the end of the year (Refer Note 1 Below)		989.38		723.29
Note (i): Cash and Cash Equivalents comprises of				
Balances with Banks	959.37		685.22	
Cash in Hand	30.01	989.38	38.07	723.29



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.

The accompanying notes are an integral part of the financial statements
As per our report of even date
For **Boda Ramam & co.**,
Chartered Accountants
Firm Registration No. 005383S

For and on behalf of the Board of directors

Sd/-
(CA. Boda Anand Kumar)
Partner
Membership No. 029123

Sd/-
K. S. Chowdary
Executive Director
DIN : 03619259

Sd/-
K. Satyanarayana Murthy
Chairman & Managing Director
DIN : 05107525

Place: Kakinada
Date: 25.06.2021

Sd/-
S. Sarojini
Company Secretary

Sd/-
Ch. Vijaya Kumar
Chief Financial Officer



Notes to Financial Statements

for the year ended 31st March, 2021

1. Corporate information

Apex Frozen Foods Limited ("AFFL" - The Company) is a public limited company incorporated under "The Companies Act, 1956", with its registered office at Panasapadu, Kakinada under CIN No: L15490AP2012PLC080067. The Board of Directors consists of

i. Mr. Satyanarayana Murthy Karuturi	Managing Director
ii. Mr. Subrahmanya Chowdary Karuturi	Executive Director
iii. Mrs. Neelima Devi Karuturi	Whole Time Director
iv. Mrs. Deepthi Talluri	Independent Director
v. Mr. Raghavulu Naidu	Independent Director (Additional director)
vi. Mr. Govindareddy Krishnamoorthy	Independent Director (Additional director)

The Company is having Shrimp Processing facilities at 1. Panasapadu, East Godavari District, Andhra Pradesh & 2. G Ragampeta, East Godavari District, Andhra Pradesh and Pre-Processing plant at Tallarevu, East Godavari District, Andhra Pradesh

The Company has its listings on the Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd. The Financial statements of the company are approved for issue by the company's board of directors on 25th June, 2021.

2. Basis of Preparation and Significant Accounting Policies

2.1 Basis of Preparation and compliance with Ind AS

Compliance with Ind AS: These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act. The accounting policies are applied consistently to all the periods presented in the financial statements.

2.2 Significant account policies

The preparation of financial statements requires the management of the Company to make estimates, judgements and assumptions that affect the reported balances of assets and liabilities and disclosures of contingent liabilities at the date of the Ind AS financial statements and reported amounts of income and expense during the year. Management believes that the estimates used in the preparation of the standalone financial statements are prudent and reasonable.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Changes in estimates are reflected in the financial statements in the period in which the changes are made and, if material, their effects are disclosed in the notes to financial statements.

This note provides a list of significant accounting policies adopted during the preparation of these financial statements which have been consistently applied to all the years presented, unless otherwise stated.

i. Basis of Measurement

The standalone Ind AS Financial Statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities which have been measured at fair value as described below and defined benefit plans which have been measured at actuarial valuation as required by relevant Ind AS.

Fair Value Measurement

The Company measures financial instruments, at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either: In the principal market for the asset or liability, or In the absence of a principal market, in the most advantageous market for the asset or liability. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the



asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Fair value for measurement and /or disclosure purpose in these financial statements is determined on such basis, except for share based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

ii. Foreign currency translation

On initial recognition, all foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the date of the transaction. As at the reporting date, foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and the exchange gains or losses are recognised in Statement of Profit and Loss.

iii. Revenue Recognition

The company derives majority of its revenue through export of processed shrimp to international customers. Revenue is measured at the fair value of the consideration received or receivable.

The Company recognizes revenue upon transfer of significant risks and rewards of ownership of goods to the customer, when the amount of revenue can be reliably measured and it is probable that the future economic benefits will flow to the entity.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts., returns. Transaction price is recognized based on the price specified in the contract , net of the estimated sales incentives / discounts. Accumulated experience is used to estimate and provide for the discounts / rights of return.

A refund liability is recognized for expected returns in relation to sales made corresponding assets are recognized for the products expected to be returned.

iv. Income Taxes

The income tax expense 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 the unused tax losses. Provision for current tax is made in accordance with provisions of the Income-tax Act, 1961.

The current income tax charge is calculated on the basis of the tax laws in force. The Management establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred Tax is provided in full on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. It is determined using tax rates 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 realized or the deferred tax liability is settled.

Deferred Tax assets are recognized regarding all temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

The Deferred Tax Assets and Liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when deferred tax balance relates to the same taxation authority. Current Tax Asset and current tax liabilities are offset when the entity has a legally enforceable right to offset and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

v. Leases

The company in capacity of a Lessee, holds many farm lands and hatcheries in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. In Accordance with new Indian Accounting Standard -116, the company is recognizing Lease liabilities and ROU (Right of Use of assets)of the assets of the total leased farms. Interest expense on lease liabilities and depreciation on ROU of the assets are being charged off to the profit and loss account

and balance of lease liability and ROU of the assets are carried over to Balance sheet.

During the financial year 2020-21, Company discontinued its lease activity of farms. Accordingly, it has not recognised Lease Liability and ROU of assets of the leased farms.

vi. Impairment of Assets

The company periodically tests its assets for impairment and if the carrying values are found in excess of recoverable value, impairment loss is recognized. The recoverable amount is higher of an asset's fair value less costs of disposal and value in use. There is no impairment loss or gain during the current financial year.

vii. Cash and Cash Equivalents

Cash and Cash equivalents for the purposes of Statement of Cash Flows includes Cash on hand, Cash at bank and Deposits which are unrestricted for withdrawal and usage.

viii. Trade Receivables

Trade Receivables in case of export sales are initially recognized at the amount for which Invoice is raised and subsequently restated with the RBI rate as at the end of the reporting period.

ix. Bad Debts

Bad Debts are written off to Profit and Loss account as and when the debt is determined as un-realizable as per opinion of the Management.

x. Inventories

Inventories comprises of Finished Goods, Work-In-Progress at Hatcheries and Stores & Spares. Finished goods are valued at lower of Cost or Net realizable value. Work-in-progress and Stores & Spares are valued at Cost which includes appropriate proportion of overheads. Net realizable is the estimated selling price in the ordinary course of business as per management expert opinion.

xi. Other Financial Assets

Other Financial Assets include MEIS Receivable by the Company as at the end of the reporting period.

xii. Property, Plant and Equipment:

a) Property, Plant and Equipment

The Initial cost of property, plant and equipment comprises its purchase price, including the import duties and non-refundable purchase taxes, attributable borrowing costs of bringing an asset to working condition and location for its intended use. It also includes the present value of the expected cost for the decommissioning and removing of an asset and restoring the site after its use, if the recognition criteria for a provision are met.

Expenditure incurred after the property, plant and equipment have been put into operation such as repairs and maintenance are normally charged to the statement of profit and loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalized if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in the statement of profit and loss as incurred.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income/other expenses in statement of profit and loss.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss, when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

b) Capital Work in progress

Assets in the course of construction are capitalized to capital work in progress account. At the point when an asset is capable of operating in the manner intended by the management, the cost of construction is transferred to the appropriate category of property,



plant and equipment. Costs associated with the commissioning of an asset are capitalized when the asset is available for use but incapable of operating at normal levels until the period of commissioning has been completed.

c) Depreciation

Assets in the course of development or construction and freehold land are not depreciated. Other property, plant and equipment are stated at cost less accumulated depreciation and any provision for impairment. Depreciation commences when the assets are ready for their intended use.

Depreciation is calculated on the depreciable amount, which is the cost of an asset less its residual value. Depreciation on tangible assets has been provided on the straight line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and changes in estimates, if any, are accounted for prospectively.

xiii. Trade and Other Payables

These amounts represent liabilities that are unpaid for goods Purchases by the Company prior to the year end and expenses for services received by the company prior to the year end.

xiv. Borrowing Cost

Borrowing Cost directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use. Qualifying assets are those assets that necessarily take a substantial period of time to get ready for their intended use. Other borrowing costs are recognized as an expense in the period in which these are incurred.

xv. Borrowings

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.

xvi. Provisions:

Provisions are recognized when there is a present legal or constructive obligation as a result of past events that 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 recognized for future operating losses.

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.

These are reviewed at the end of each reporting period and adjusted to reflect the current best estimates. Contingent assets and liabilities are not recognized, however contingent liabilities are disclosed in Note No. 31.

xvii. Employee Benefits:

Gratuity:

Gratuity is provided for the year under Defined Benefit Gratuity Plan as per the Actuarial valuation. The liability or asset recognized 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.

Remeasurement gains and losses arising from actuarial assumptions are recognized 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 recognized immediately in the statement of profit and loss as past service cost.

Provident Fund & E.S.I:

Expenditure pertaining to contributory provident fund and E.S.I account is charged to profit or loss.

xviii. Contributed Equity

Equity shares are classified as equity.

xix. Dividend:

The Board of directors at its meeting held on 25th June, 2021 recommended a final dividend of Rs. 2.00 per equity share for the financial year ended March 31, 2021.

xx. Earnings Per Share

a) 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.

b) Diluted Earnings Per Share:

Diluted Earnings per Share adjusts the figures used in 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 conversion of all dilutive potential equity shares.

xxi. Rounding of Amounts

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

xxii. Critical Estimates & Judgements

Areas involving critical estimates:

- Estimation of defined benefit obligation, refer note 29.





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

(Rs. in Lakhs)

Particulars	Land	Factory Buildings	Building Other than Factory Buildings	Plant & Machinery	Computers	Furniture & Fixtures	Vehicles	Total	Capital Work -In-Progress	Lease Hold Land Amortisation	Grand Total
Gross Block											
Closing Gross carrying amount as at 31st March, 2019	3,663.07	1,219.79	303.22	6,184.90	45.72	1,396.86	1,988.19	14,801.76	11,631.69	368.57	26,802.02
Additions	60.07	5,958.71	3,599.08	6,406.56	35.33	415.90	317.21	16,792.87	2,912.00	-	19,704.87
Disposals	-	-	-	113.56	-	-	68.83	182.39	14,263.91	-	14,446.30
Closing Gross carrying amount as at 31st March, 2020	3,723.15	7,178.50	3,902.31	12,477.90	81.05	1,812.76	2,236.57	31,412.24	279.78	368.57	32,060.59
Additions	144.67	41.36	90.63	146.14	18.18	15.33	124.90	581.21	1,287.03	-	1,868.24
Disposals	-	0.15	-	2.46	-	-	10.29	12.90	28.07	-	40.97
Closing Gross carrying amount as at 31st March, 2021	3,867.82	7,219.72	3,992.94	12,621.58	99.23	1,828.08	2,351.18	31,980.55	1,538.74	368.57	33,887.86
Depreciation											
Balance as at 31st March, 2019	-	161.66	19.54	2,143.15	19.34	386.68	878.56	3,608.92	-	93.65	3,702.57
Depreciation/ Amortisation for the Year	-	145.54	19.16	795.11	10.73	158.62	274.15	1,403.31	-	56.04	1,459.35
Disposals	-	-	-	-	-	-	47.66	47.66	-	-	47.66
Balance as at 31st March, 2020	-	307.20	38.70	2,938.26	30.07	545.29	1,105.05	4,964.56	-	149.69	5,114.26
Depreciation/ Amortisation for the Year	-	323.01	63.09	1,126.72	19.18	124.08	319.59	1,975.67	-	218.87	2,194.55
Disposals	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2021	-	630.21	101.80	4,064.98	49.25	669.37	1,424.64	6,940.24	-	368.56	7,308.80
Net Carrying amount											
As at March 31, 2019	3,663.07	1,058.14	283.68	4,041.75	26.38	1,010.18	1,109.63	11,192.84	11,631.69	274.91	23,099.44
As at March 31, 2020	3,723.15	6,871.30	3,863.60	9,539.65	50.99	1,267.46	1,131.52	26,447.67	279.78	218.88	26,946.33
As at March 31, 2021	3,867.82	6,589.51	3,891.15	8,556.60	49.98	1,158.71	926.55	25,040.31	1,538.74	0.00	26,579.06



4. Other Non-current Assets			(Rs. in Lakhs)
Particulars	As at 31 st March, 2021	As at 31 st March, 2020	
Advances for Capital Goods & Others		180.58	
Advances for Lands	266.61	313.51	
Total	266.61	494.09	

5. Net Deferred Tax Asset / (Liability)					(Rs. in Lakhs)
Particulars	Opening Balance	Recognised in Profit & Loss	Recognised in Other Comprehensive Income	Closing Balance	
Deferred Tax Asset/ Liability for the Year ended March 31, 2020					
Depreciation & Amortisation	(325.19)	(12.19)	-	(337.39)	
Total	(325.19)	(12.19)	-	(337.99)	
Deferred Tax Asset/ Liability for the Year ended March 31, 2021					
Depreciation & Amortisation	(337.39)	106.35	-	(231.04)	
Total	(337.39)	106.35	-	(231.04)	

6. Inventories			(Rs. in Lakhs)
Particulars	As at 31 st March, 2021	As at 31 st March, 2020	
Farming and Hatchery Work-in-progress	155.82	1488.57	
Finished goods	15,535.64	14271.80	
Semi Finished & Unprocessed	-	2078.49	
Stores & Spares	428.62	566.14	
Total	16,120.08	18404.99	

Inventory quantities & values including Work – In - Progress as at Balance Sheet date are as certified by the management.
There are no stocks of Semi – Finished & Un Processed stock at end of the year.

7. Trade Receivables			(Rs. in Lakhs)
Particulars	As at 31 st March, 2021	As at 31 st March, 2020	
Export Debtors	14,248.99	6813.16	
Hatchery & Other Debtors	407.91	759.84	
Duty Drawback Receivable	801.97	339.19	
Total	15,458.87	7,912.19	

Note: Export Debtors are subject to Confirmation and Reconciliation.

8. Cash & Cash Equivalents (Rs. in Lakhs)		
Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Balances with Scheduled Banks:		
Current Accounts	234.41	40.68
Margin & IPO Deposits	724.96	644.54
Cash in Hand	30.01	38.07
Total	989.38	723.29

9. Other Financial Assets (Rs. in Lakhs)		
Particulars	As at 31 st March, 2021	As at 31 st March, 2020
MEIS Receivable	2,265.39	1618.97
Total	2,265.39	1618.97

Note: Company is entitled for Export benefit by name Merchandise Exports from India Scheme (MEIS) from D.G.F.T. As per the scheme, company is eligible for grant of Duty Credit Scrip from D.G.F.T. The said Scripts are in turn, encashed by way of sale to importers at agreed rate. Accordingly MEIS income is recognized in the past several years and shown as receivable to the extent not encashed.

10. Other Current Assets (Rs. in Lakhs)		
Particulars	As at 31 st March, 2021	As at 31 st March, 2020
a. Advances - Others	676.99	692.19
b. Advances - Employees	226.22	86.71
c. Deposits and Other Receivables	2,484.04	2,990.35
d. Other Advances	380.74	1,089.45
Total	3,767.99	4,858.70

11. Equity Share Capital (Rs. in Lakhs)		
Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Authorised 3,60,00,000 fully paid up Equity Shares of Rs. 10/- each	3,600	3,600
Issued, Subscribed and Paid-up 3,12,50,000 fully paid Equity Shares of Rs. 10/- each (31 st March, 2020 - 3,12,50,000; 31 st March, 2019 - 3,12,50,000)	3,125	3,125



(a) Reconciliation of number of shares outstanding			(Rs. in Lakhs)
Particulars	Number of Shares		Amount
Balance as at 31st March, 2019	3,12,50,000		3,125
Changes in Equity Share Capital during the year			
Balance as at 31st March 2020	3,12,50,000		3,125
Changes in Equity Share Capital during the year	-		-
Balance as at 31st March 2021	3,12,50,000		3,125

(b) Details of shares held by each shareholder holding more than 5% shares				
Name of Shareholder	As at March 31st, 2021		As at 31st March 2020	
	No. of Shares	% Held	No. of Shares	% Held
K.S.Murthy	89,18,779	28.54	89,18,779	28.54
K.Padmavathi	40,54,853	12.98	40,54,853	12.98
K.S.Chowdary	96,43,828	30.86	96,43,828	30.86
NIPPON LIFE INDIA TRUSTEE LTD A/C	16,48,797	5.28	19,87,385	6.36
NIPPON INDIA SMALL CAP FUND				

12. Other equity			(Rs. in Lakhs)
Particulars	As at 31st March, 2021		As at 31st March, 2020
Securities Premium Account	11,039.05		11,039.05
General Reserve	1,000.00		1,000.00
Retained Earnings	28,817.91		24,422.18
Total Other Equity	40856.94		36,461.23

Securities Premium Reserve:

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

Retained Earnings

Retained Earnings represent the amount of accumulated earnings of the company.

13. Financial Liabilities		(Rs in Lakhs)
Particulars	As at 31 st March, 2021	As at 31 st March, 2020
(i) Borrowings		
Secured		
Term Loans from Banks		250.00
Vehicle Loans	83.63	71.83
Other Long Term Loan	2,722.45	2,084.46
Unsecured		
Loan From Directors and Shareholders	-	-
Total	2,806.08	2,406.29

* Current maturities on long-term borrowings have been disclosed under the head Other financial liabilities grouped under current liabilities.

Secured Borrowings

- i. Long term loans includes loan from LIC of India to an extent of Rs.27.22 crores .
- ii. Vehicle Loans

The Company has availed term loans for Vehicles from Banks and financial Institutions with tenor ranging from 36 to 38 Installments. As on 31st March, 2021, the Company has total such loans of Rs. 267.30 lakhs of which Rs. 183.67 lakhs has been classified under Other Financial liabilities under Financial Liabilities and Rs. 83.63 lakhs has been classified under Non-current Financial Liabilities.





14. Other Non-Current Liabilities (Rs. in Lakhs)		
Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Other Non-Current Liabilities	-	28.31
Total	-	28.31

15. Current Liabilities (a) Financial Liabilities - Borrowings (Rs. in Lakhs)		
Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Secured		
Working Capital Loans From Bank of India	10,529.21	8,998.94
Working Capital Loans from Bank of India (COVID-19)	393.75	-
Working Capital Loans From HDFC Bank Limited	2,878.91	2970.73
Total	13,801.87	11,969.67

The company has been availing its Working Capital requirements from Bank of India and HDFC Bank. Working Capital limits utilised as at the year end are as per the above table, while the total working capital limits sanctioned by the bank are in the table given below.

Name of the Bank	Nature of Borrowing	Limits as at	
		As at 31 st March, 2021	As at 31 st March, 2020
Bank of India	EPC	3,000	3,000
Bank of India	SWC	4,850	1,500
Bank of India	FBP	4,500	4,500
HDFC	PCFC	5,000	3,000
Total		17350	12,000

EPC- Export Packing Credit

SWC- Standby Working Capital

FBP - Foreign Bill Purchase

PCFC - Packing Credit Foreign Currency

Working Capital facilities from the Banks are secured by hypothecation by way of first charge on the following assets of the company:

Primary Security

Exclusive charge on Current assets of the Company by way of hypothecation of stocks of raw material, work in process, finished goods.

Collateral Securities:

Equitable mortgage of residential land & building owned by Mr.K.S.Murthy, Managing Director of the company situated at D.No.2.23.14/1, Ward no.2, Block No.2, Sarada Street, Srinagar, Kakinada.

Equitable mortgage of residential land and building owned by Mr.K.S.Murthy, Managing Director of the company extent of 477.20 sq.yards situated at D.No.7-30, SeetharamapuramSivaru, TallarevuMandal, East Godavari District.

Factory land and building and plant and machinery situated vide Survey No.214, 271/5, 271/4 at Panasapadu village, Achampeta-Panchayat, SamalkotaMandal and at Tallarevu vide Survey No.389/1 that are shown as principal security for the Term loans have been obtained as collateral security for the working capital limit.

Guarantors:

1. Mr.K.S.Murthy
2. Mr.K.S.Chowdary

16. Trade Payables (Rs. in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Creditors for Raw materials	1,979.00	3,132.81
Creditors for Stores & Expenses		
Packing Material Suppliers	360.53	200.84
Creditors for Expenses	658.52	1,199.58
Total	2,998.05	4,533.23

* Credit Balances are subject to confirmation and Reconciliation.

*In the absence of necessary information relating to the registration status of suppliers under the Micro, Small and medium Enterprises development Act, 2006, the information required under the said Act could not be complied and disclosed.

17. Other Financial Liabilities (Rs. in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Secured		
Current Maturities of Long-term Borrowings (refer note 13)		
From HDFC Bank Ltd - Term Loan - IV	-	98.62
From Kotak Mahindra Bank - Vehicle Loans	183.67	305.15
From HDFC Bank - Vehicle Loans	-	-
Total	183.67	403.77

18. Provisions (Rs. in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Other Provisions	1,347.17	993.76
Total	1,347.17	993.76



19. Current Tax Liability (Net) & Provisions (Rs. in Lakhs)		
Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Provision for Taxation (Net of Advance Tax)	559.64	1252.86
Total	559.64	1252.86

Revenue

20. Revenue From Operations (Rs. in Lakhs)		
Particulars	For the Year Ended 31 st March, 2021	For the Year Ended 31 st March, 2020
Sales of Products	79,755.41	77,553.95
Export Benefits (Net)	2,093.00	5,156.59
Total	81,848.41	82,710.54

Revenue from operations

Sale of products

- Export Sales are accounted for as and when Sale Invoices are raised and goods are dispatched out of factory as per RBI reference rate on the date of invoice. The difference if any between negotiation / realization rate and exchange rate of invoice is accounted as foreign exchange difference on receipt of particulars from negotiating bank.
- The company during the year, besides processing and exporting of Shrimp has developed Hatcheries and the sales above include seed sales. Sales also includes sale of scrap arising out of processing of Shrimp.

Export benefits

- Company is entitled for Duty Draw Back @ Rs.23.60 p per Kg Or 3% on FOB (whichever is lower) of Exports done. Accordingly, in come on account of Duty Draw Back is recognized for Sale Invoices raised up to March 31, 2021 at the applicable rate.
- Company is also entitled for Merchandise Exports from India Scheme (MEIS) from D.G.F.T. As per the scheme, company is eligible for grant of Duty Credit Scrip from D.G.F.T. The said Scripts are in turn, encashed by way of sale to importers at agreed rate.
- The Government of India issued notifications limiting the reward available under MEIS scheme during the period September '20 to December'20 and notified withdrawal of MEIS scheme with effect from 1st January 2021. Accordingly MEIS income is recognized to the extent eligible.



21. Other Income		(Rs. in Lakhs)
Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Interest Income on		
Fixed Deposits	49.70	44.45
Others	35.95	44.83
Surplus from Foreign Currency Fluctuation	667.19	1,810.16
Total	752.84	1,899.44

Expenses

22. Cost of Materials		(Rs. in Lakhs)
Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Raw Material Purchases	48,582.61	56,148.38
In house Shrimp Farming & Hatchery Expenses	4,365.22	8,684.36
Feed Purchases	82.11	298.55
Total	53,025.94	65,131.29

23. Changes in Inventories		(Rs. in Lakhs)
Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Opening Stocks		
Farming and Hatchery Work-in-Progress	1,488.57	27,05.62
Finished Goods	16,350.28	76,04.07
Stores & Spares - Packing Material & Chemicals	566.14	318.80
Total	18,404.99	10,628.49
Closing Stocks		
Farming and Hatchery Work-in-Progress	155.82	1,488.57
Finished Goods	15,535.64	14,271.80
Semi Finished & Unprocessed		2,078.49
Stores & Spares - Packing Material & Chemicals	428.62	566.14
Total	16,120.08	18,404.99
Increase / Decrease	22,84.91	(7,776.50)

Inventories include the unsold finished goods produced at both the production locations i.e., Kakinada and G. Ragampeta and work in progress includes the cost incurred on un-harvested shrimp at farms and Hatcheries while stores and spares includes chemicals and packing material.



24. Employee Benefit Expenses (Rs. in Lakhs)		
Particulars	For the Year Ended 31 st March, 2021	For the Year Ended 31 st March, 2020
Salaries, Wages & Other Benefits	2,348.03	2,783.31
Contribution to Funds	103.32	204.93
Director's Remuneration	345.75	461.00
Staff Welfare Expenses	269.39	141.38
Employee and Employer's Insurance Scheme	914.63	780.69
Total	3,981.12	4,371.32

25. Finance Cost (Rs. in Lakhs)		
Particulars	For the Year Ended 31 st March, 2021	For the Year Ended 31 st March, 2020
Interest Expense		
-Term Loans	12.67	15.79
-Working Capital	1,176.47	823.75
-Others	268.20	96.87
Bank Charges	134.17	127.40
Total	1,591.51	1,063.81

Interest on Others includes Interest on Vehicle Loans of Rs. Rs 28.20 Lakhs and Other Interest expenditure.

26. Depreciation and Amortisation Expense & Others (Rs. in Lakhs)		
Particulars	For the Year Ended 31 st March, 2021	For the Year Ended 31 st March, 2020
Depreciation on Property, Plant & Equipment	1,975.67	1,403.31
Amortisation of Leasehold Land Development	218.87	56.04
Total	2,194.55	1,459.35



27. Other Expenses		
(Rs. in Lakhs)		
Particulars	For the Year Ended 31 st March, 2021	For the Year Ended 31 st March, 2020
Manufacturing Expenses		
Inward Transport Charges	956.65	1,021.03
Purchase Expenses	87.87	88.46
Electricity Charges	1,426.23	982.84
Generator Diesel & Maintenance	60.42	37.04
Repairs & Other Maintenance	114.37	32.17
Ice Purchase	1,017.99	154.50
Wages	1,526.99	593.40
Plant Maintenance	202.55	1,076.49
Machinery Maintenance	145.61	101.66
Freezing & Storage Expenses	33.05	60.11
Uniform Expenses	18.95	34.71
Water Charges	32.80	21.15
Rents	39.60	19.99
Sample Testing Expenses	93.14	51.42
Security Expenses	443.51	57.25
Processing Charges	38.36	1,200.40
Lab Maintenance	956.65	37.19
Administrative & Selling Expenses		
Rates & Taxes	198.07	311.64
Export Expenses	3,712.60	3,110.02
Other Expenses	27.29	16.15
Survey Charges	12.92	13.03
Loading & Unloading Charges	9.72	18.11
Business promotion expenses	52.82	56.11
Vehicle Maintenance	81.12	90.34
Printing & Stationery	18.42	22.88
Computer Maintenance	2.56	4.76
Travelling & Conveyance	22.96	105.66
Consultancy & Certification Fee	157.34	168.02
Statutory & Tax Audit Fee	10.00	10.00
News Papers & Periodicals	0.09	0.16
Telephones	18.75	15.86
Membership & Subscriptions	115.54	40.82
Bad debts	204.00	-
Insurance Premium	198.07	262.95
Stores & Spares	2,385.40	2,305.93
CSR Expenses	191.32	162.44
Total	13,459.01	12,284.69



28. Earnings Per Share			(Rs. in Lakhs)
Particulars	For the Year Ended 31 st March, 2021	For the Year Ended 31 st March, 2020	
Profit available for Equity Shareholders	4,428.52	6,064.16	
Weighted average number of Equity shares outstanding for Basic EPS	312.50	312.50	
Weighted Average number of potential equity shares, Warrants and ESOP's outstanding	NIL	NIL	
Weighted average number of Equity shares outstanding for Diluted EPS	312.50	312.50	
Earnings per Share*			
Basic (Rs.)	14.17	19.41	
Diluted(Rs.)	14.17	19.41	

Note: There is no dilution to Basic Earnings per share as there are no dilutive potential equity shares

29. Employee benefits

i. Post-employment benefit obligation gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement / termination is the employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

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

Changes in Present Value of Obligation			(Rs. in Lakhs)
Particulars	For the Year Ended 31 st March, 2021	For the Year Ended 31 st March, 2020	
Present Value of Obligation as at the beginning	101.72	74.87	
Current Service Cost			
Interest Expense or Cost	42.85	54.64	
Actuarial (gain)/ loss on obligations			
Past Service Cost	6.85	5.71	
Effect of change in foreign exchange rates			
Benefits Paid	(71.64)	(33.50)	
Acquisition Adjustment	-	-	
Effect of business combinations or disposals	-	-	
Present Value of Obligation as at the end	79.78	101.72	

Changes in Fair Value of Plan Assets			(Rs in Lakhs)
Particulars	For the Year Ended 31 st March, 2021	For the Year Ended 31 st March, 2020	
Fair Value of Plan Assets at the beginning	74.36	48.99	
Acquisition Adjustments	(1.93)	(5.37)	
Expected Return on Plan Assets	5.00	3.74	
Contributions	27.32	25.72	
Actuarial Gain / (loss) on Plan Assets	1.87	1.28	
Fair Value of Plan Assets as at the end	106.64	74.36	



Expenses Recognised in the Income Statement			(Rs. in Lakhs)
Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020	
Current Service Cost	42.85	54.63	
Past Service Cost	-	-	
Expected Return on Plan Assets	(5.00)	(3.74)	
Interest cost	6.85	5.71	
Total Expenditure recognised in Income Statement	44.70	56.74	

Expenses Recognised in Other Comprehensive Income			(Rs. in Lakhs)
Particulars	For the Year ended 31 st March, 2021	For the Year ended 31 st March, 2020	
(Gain)/Loss due to Change in demographic assumptions	-	-	
(Gain)/Loss due to Change in financial assumptions	(0.34)	7.55	
Actuarial (gain)/ loss on obligations - Experience Variance	(71.30)	(41.05)	
Total Actuarial (gain)/ loss on obligations	(71.63)	(33.50)	
Actuarial Gain /(loss) on Plan Assets	1.87	1.28	
Total Expenditure recognised in OCI	(73.52)	(34.78)	

Significant Estimates: Actuarial Assumptions

The significant actuarial assumptions for defined benefit plans are as follows

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Discount Rate (per annum)	6.78%	6.73%
Salary Escalation Rate (per annum)	5.00%	5.00%
Employee Attrition Rate		
Age at Valuation date:		
18-30	10.00%	10.00%
31-40	5.00%	5.00%
40+	1.00%	1.00%
Assumptions regarding mortality rate are set based on actuarial advice in accordance with published statistics.	IALM (2006-08)	IALM (2006-08)



Sensitivity Analysis			(Rs. in Lakhs)
Particulars	For the Year ended 31 st March, 2021	For the Year ended 31 st March, 2020	
Defined Benefit Obligation (base)	79.78	101.72	
Discount rate:(% change compared to base due to sensitivity)			
Increase: +1%	73.08	93.39	
Decrease: -1%	87.62	111.34	
salary growth rate:(% change compared to base due to sensitivity)			
Increase: +1%	87.70	110.63	
Decrease: -1%	72.91	93.96	
Attrition rate:(% change compared to base due to sensitivity)			
Increase: +50%	88.92	114.19	
Decrease: -50%	67.05	84.07	
Mortality rate:(% change compared to base due to sensitivity)			
Increase: +10%	80.15	102.27	
Decrease: -10%	79.32	101.17	

Payments to Auditor			(Rs. in Lakhs)
Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020	
Statutory Audit Fees	8.00	8.00	
Tax Audit & Related Matters	2.00	2.00	
Other Matters	-	-	

30. Corporate Social Responsibility Expenditure			(Rs. in Lakhs)
Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020	
Revenue Expenditure spent on CSR Activities	171.25	91.19	
Total	171.25	91.19	

31. Contingent Liabilities

Bank Guarantees:

The Company has provided Bank guarantees to the tune of ₹ 33.21 Lakh

Stand-by-Letter of Credit: Rs. 786.66 Lakh

Export obligations

Export Obligations on FOB Value of sales amounting to ₹ Nil under E.P.C.G. scheme is pending as on 31st March, 2020.

32. Additional information pursuant to the provisions of paragraph VIII (a), VIII (b) & VIII (e) of Part II of Schedule III to the Companies Act 2013

CIF Value of Imports (Rs. in Lakhs)		
Particulars	For the Year Ended 31 st March, 2021	For the Year Ended 31 st March, 2020
Raw Materials	0.00	0.00
Capital Goods & Maintenance Spares	0.00	669.93
Total	0.00	669.93

Earnings in Foreign Currency (on accrual basis) (Rs. in Lakhs)		
Particulars	For the Year Ended 31 st March, 2021	For the Year Ended 31 st March, 2020
FOB Value of Exports	73,372.18	70,707.34

Expenditure in Foreign Currency (USD in lakhs)		
Particulars	For the Year Ended 31 st March, 2021	For the Year Ended 31 st March, 2020
Administration and Selling Expenses	50.28	41.06
Stores and Spares Consumed	7.20	4.45
Financial Expenses	NIL	NIL
Exhibition & Others	NIL	NIL
Dividend to Non Resident Share Holders (No.of Shares)	NIL	NIL

33. Related party disclosures

Related parties and nature of relationship :

NIL

NIL

Key management personnel :

Mr. K.Satyanarayana Murthy

Chairman & Managing Director

Mr. K.SubrahmanyaChowdary

Executive Director

Mrs. K.Neelima Devi

Whole time director



Related Party Transactions			(Rs. in Lakhs)	
Name of the Party	Relationship	Nature of Transaction	For the Year Ended 31 st March, 2021	For the Year Ended 31 st March, 2020
Mr. K.S. Murthy	KMP	Total Remuneration Un-secured Loan Payable	126.00 -	168.00 -
Mr. K.S. Chowdary	KMP	Total Remuneration Un-secured Loan Payable	126.00 -	168.00 -
Mrs. K Neelima Devi	KMP	Total Remuneration Un-secured Loan Payable	93.75 -	125.00 -
Mr. Ch. Vijaya Kumar	CFO	Remuneration	8.00	8.00
Mrs. S. Sarojini	Company Secretary	Remuneration	4.20	4.20

34. Previous year figures have been regrouped / reclassified wherever necessary to conform to this year's classification.



Notice of Annual General Meeting

Notice is hereby given that the 9th Annual General Meeting of the members of APEX FROZEN FOODS LIMITED will be held on Wednesday, 22nd day of September 2021 through Video Conferencing (VC)/Other Audio-Visual Means (OAVM) at 9.00A.M at the registered office of the company situated at #3-160, Panasapadu, Kakinada, East Godavari district, Andhra Pradesh– 533005, to transact the following business:

Ordinary Business

1. To Consider and Adopt the Audited Financial Statements of the Company for the Financial Year 2020-21, together with the Report of the Board of Directors and Auditors thereon.
2. To Declare final dividend of Rs. 2.00/- (20%) per equity Share of Rs. 10/- each to the shareholders for the Financial year 2020-21.
3. To Re-appoint a Director in place of Mr. K. Subrahmanya Chowdary (DIN 03619259), who retires by rotation and being eligible, offers himself for re-appointment.

Special Business

4. APPOINTMENT OF MR. B. RAGHAVULU NAIDU (DIN: 09158333) AS AN INDEPENDENT DIRECTOR

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

“RESOLVED THAT Mr. B. Raghavulu Naidu (DIN: 09158333), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 04th June, 2021 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 (“Act”) and applicable provisions of the Articles of Association of the Company, who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152, 160 and other applicable provisions, if any, of the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time, the appointment of **Mr. B. Raghavulu Naidu (DIN: 09158333)**, who meets the criteria for independence as provided in Section 149(6) of the Companies Act 2013 along with the rules framed thereunder, and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director (Non- Executive) of the Company, not liable to retire by rotation, for a term of five years commencing with effect from 04th June, 2021 to 03rd June, 2026, be and is hereby approved.

RESOLVED FURTHER THAT the Board of Directors, be and is hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, matters, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution and to issue the terms of appointment letter as per the Companies Act, 2013 and the rules made thereof and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time”.

5. APPOINTMENT OF MR. GOVINDAREDDY KRISHNAMOORTHY(DIN: 09208749) AS AN INDEPENDENT DIRECTOR

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

“RESOLVED THAT Mr. Govindareddy Krishnamoorthy (DIN: 09208749), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 22nd June, 2021 and who holds office up to the date of this Annual General Meeting



of the Company in terms of Section 161(1) of the Companies Act, 2013 ("Act") and applicable provisions of the Articles of Association of the Company, who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152, 160 and other applicable provisions, if any, of the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, the appointment of Mr. Govindareddy Krishnamoorthy (DIN: 09208749), who meets the criteria for independence as provided in Section 149(6) of the Companies Act 2013 along with the rules framed thereunder, and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director (Non-Executive) of the Company, not liable to retire by rotation, for a term of five years commencing with effect from 22nd June, 2021 to 21st June, 2026, be and is hereby approved.

RESOLVED FURTHER THAT the Board of Directors, be and is hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, matters, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution and to issue the terms of appointment letter as per the Companies Act, 2013 and the rules made thereof and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time".

By order of Board of Directors
For Apex Frozen Foods Limited

Sd/-
K Satyanarayana Murthy
Chairman & Managing Director
DIN 05107525

Place: Panasapadu, Kakinada
Date: 14.08.2021

Notes

1. In view of the COVID-19 pandemic, social distancing norms and pursuant to General Circular Nos. 14/2020,17/2020, 20/2020 and 02/2021 dated 8th April 2020, 13th April 2020, 5th May 2020 and 13th January 2021, respectively issued by the Ministry of Corporate Affairs ('MCA') (collectively referred to as 'MCA Circulars') and Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 and SEBI/HO/CFD/ CMD2/CIR/ P/2021/11 dated 12th May 2020 and 15th January 2021, respectively issued by the Securities and Exchange Board of India (collectively referred to as 'SEBI Circulars'), the holding of the Annual General Meeting ('AGM') through VC/OAVM, without the physical presence of the Shareholders has been permitted. In compliance with the provisions of the Companies Act, 2013 ('the Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Listing Regulations'), MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC/OAVM which does not require physical presence of Shareholders at a common venue. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at <http://apexfrozenfoods.in>. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
8. 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 on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
9. Institutional/Corporate members are encouraged to attend and vote at the meeting through VC/OVAM. We also request them to send, a duly certified copy of the Board Resolution authorizing their representative to attend the AGM through VC/OAVM and vote through remote e-voting on its behalf at cs@apexfrozenfoods.com pursuant to Section 113 of the Companies Act, 2013.
10. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business in the Notice is annexed hereto and forms part of this Notice.
11. In case you are holding the Company's shares in dematerialized form, please contact your depository participant and give suitable instructions to update your bank details in your demat account and to notify any changes with respect to their addresses, email id, ECS mandate.
12. In case you are holding Company's shares in physical form, please inform Company's RTA viz. Bigshare Services Pvt.Ltd. having their address at "306,Right



Wing, 3rd Floor, Amrutha Ville, Opp.Yashoda Hospital, Somajiguda, Rajbhavan Road, Hyderabad – 500082, Telangana ” by enclosing a photocopy of blank cancelled cheque of your bank account.

13. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities.
14. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. M/s. Bigshare Services Pvt.Ltd, 306,Right Wing, 3rd Floor, Amrutha Ville, Opp.Yashoda Hospital, Somajiguda, Rajbhavan Road, Hyderabad – 500082, Telangana are the Registrar & Share Transfer Agents (RTA) of the Company. All communications in respect of share transfers, dematerialization and change in the address of the members may be communicated to the RTA.
15. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to the RTA/Company.
16. Members who have not registered their email ID with the depository participants, are requested to register their email ID with their depository participants in respect of shares held in electronic form and in respect of shares held in physical form, are requested to submit their request with their valid email ID to our RTA at bsshyd1@bigshareonline.com or cs@apexfrozenfoods.com for receiving all communications including annual report, notices, letters etc., in electronic mode from the Company.
17. Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest to avail the nomination facility. Members holding shares in dematerialized form may contact their respective depository participant(s) for recording nomination in respect of their shares.
18. In case of Joint Holders attending the AGM, only such Joint Holder whose name appears first in the order of names will be entitled to vote.
19. Only bona fide members of the Company, whose name appear first on the Register of Members, will be permitted to attend the meeting through VC/OAVM. The Company reserves its right to take all necessary steps as may be deemed necessary to restrict non-members from attending the meeting.
20. Pursuant to the directions/notifications of Securities and Exchange Board of India (SEBI) and Depositories, the demat account holders can operate their accounts if they had already provided Income Tax Permanent Account Number either at the time of opening of the account or at any time subsequently. In case they have

not furnished the Income Tax Permanent Account Number to the Depository Participants, such demat account holders are requested to contact their DPs with a photocopy of the PAN Card (with original PAN Card for verification), so that the frozen demat accounts would be available for operation and further consequences of non-compliance with the aforesaid directives would be obviated. SEBI, vide Circular Ref.No.MRD/Dop/Cir-05/2009 dated May 20, 2009 made it mandatory to have PAN particulars for registration of physical share transfer requests. Based on the directive contained in the said circulars, all share transfer requests are therefore to be accompanied with PAN details. Members holding shares in physical form can submit their PAN details to the Company / RTA.

21. Members seeking any information or clarification on the accounts are requested to send their queries to the Company, in writing, at least 10 days before the date of the meeting. Replies will be provided in respect of such written queries at the meeting.
22. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with Annual Report 2020-21 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depository Participants.
Members may note that the Notice and the Annual Report 2020-21 will also be available at the Company's website: www.apexfrozenfoods.in., on the website 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 CDSL www.evotingindia.com. All documents referred to in the accompanying Notice and the Statement pursuant to Section 102(1) of the Companies Act, 2013 shall be open for inspection in electronic mode by the Members by writing an e-mail to the Company Secretary at cs@apexfrozenfoods.com
23. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to the Notice.
24. Additional information pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Secretarial Standards on general meetings, information in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting is furnished in the annexure and forms part of the notice. The Directors have furnished the requisite consent / declaration for their appointment / re-appointment.
25. Members desiring inspection of statutory registers during the AGM may send their request in writing in advance to the Company at cs@apexfrozenfoods.com
26. Members who wish to inspect the relevant documents referred to in the Notice can send an e-mail to cs@apexfrozenfoods.com upto the date of the AGM.
27. The notice of Annual General Meeting will be sent to the members, whose name appears in the Register of

- members/ depositories as at closing hours of business on 20th August, 2021.
28. Register of Members and Share Transfer Books of the Company shall remain closed from 16th September, 2021 to 22nd September, 2021 (both days inclusive) for AGM and determining the entitlement of the shareholders for the Dividend for the year 2020-21, if declared, at the AGM.
 29. If the Dividend as recommended by the Board of Directors is approved at the AGM, the payment of such dividend shall be made within the timeline as prescribed under the Act, subject to deduction of tax at source, as under:
 - 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 **15th September, 2021** and
 - To all those members holding shares in physical form on or before at the close of business hours on **15th September, 2021**.
 30. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of Shareholders with effect from 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 TSR Darashaw (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).
 31. 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 bsshyd1@bigshareonline.com latest by 10th September, 2021.
 32. 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 bsshyd1@bigshareonline.com latest by 10th September, 2021.
 33. Resident Shareholders are requested to provide declaration that they have filed their Income Tax Return for past 2 years, if aggregate of their Tax Deducted at Source (TDS) and Tax Collected at Source (TCS) is greater than Rs. 5000/- by email to bsshyd1@bigshareonline.com latest by 10th September, 2021. Shareholders are requested to note that in case such declaration is not received, tax will be deducted at applicable higher rate as per Income Tax Act, 1961.
 34. The Members whose names appear in the Register of Members/ List of Beneficial Owners as on Wednesday, 15th September, 2021 (cut-off date), are entitled to vote on the resolutions set forth in this Notice.
 35. The e-voting period will commence on Sunday, 19th September, 2021 (09:00 hrs) and will end on Tuesday, 21st September, 2021 (17:00 hrs). During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Members will not be able to cast their votes electronically beyond the date & time mentioned above.
- The Company has appointed Smt Durga Bhavani Agarwal and/or Mr.M.Arun, partners of M/s. A.S.Ram Kumar & Associates, Company Secretaries, to act as Scrutinizer to conduct and scrutinize the electronic voting process of this Annual General Meeting in a fair and transparent manner. The members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereunder.



THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOININGVIRTUAL MEETINGS ARE AS UNDER:

- (i) The voting period begins on Sunday, 19th September, 2021 (09:00 hrs) and ends on Tuesday, 21st September, 2021(17:00 hrs). During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Wednesday, 15th September, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders’ resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<p>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi.</p> <p>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINK-INTIME, so that the user can visit the e-Voting service providers’ website directly.</p> <p>If the user is not registered for Easi/Easiest, option to register is availableat https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting optionwhere the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders holding securities in demat mode with NSDL Individual Shareholders (holding securities in demat mode) login through their Depository Participants	<p>If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>



<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</p>	<p>If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsd.com/SecureWeb/Ideas-DirectReg.jsp</p> <p>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting</p> <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

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

Login type Helpdesk details

Individual Shareholders holding securities in Demat mode with **CDSL** Members facing any technical issue in login can contact CDSL helpdesk by sending a request at HYPERLINK "<mailto:helpdesk.evoting@cDSLindia.com>" helpdesk.evoting@cDSLindia.com or contact at 022- 23058738 and 22-23058542-43.

Individual Shareholders holding securities in Demat mode with **NSDL** Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(v) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.

1. The shareholders should log on to the e-voting website www.evotingindia.com.
2. Click on "Shareholders" module.
3. Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

- c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
4. Next enter the Image Verification as displayed and Click on Login.
5. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
6. If you are a first-time user follow the steps given below:



<p>PAN</p>	<p>For Physical shareholders and other than individual shareholders holding shares in Demat.</p> <p>Enter your 10digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
<p>Dividend Bank Details OR Date of Birth (DOB)</p>	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- vi. After entering these details appropriately, click on "SUBMIT" tab.
 - vii. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - viii. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - ix. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
 - x. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
 - xi. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
 - xii. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
 - xiii. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
 - xiv. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
 - xv. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvi. Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cs@apexfrozenfoods.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance

- during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
 7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their requesting advance atleast 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at company email id cs@apexfrozenfoods.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at company email id cs@apexfrozenfoods.com
 8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
 9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
 10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

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

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, MarathonFuturex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

General Instructions:

1. The voting rights of Members shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on 15th September, 2021.
2. The Scrutinizer, after scrutinising the votes cast at the meeting through remote e-voting and during AGM will, not later than 48 hours from the conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.apexfrozenfoods.in and on the website of CDSL www.cdslindia.com. The results shall simultaneously be communicated to the Stock Exchanges.
3. The voting result will be announced by the Chairman or any other person authorized by him within two days of the AGM.

By order of Board of Directors
For Apex Frozen Foods Limited

Sd/-
K.Satyanarayana Murthy
Chairman & Managing Director
DIN 05107525

Place: Panasapadu, Kakinada
Date: 14.08.2021



EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4:

The Board of Directors has appointed Mr. B. Raghavulu Naidu (DIN: 09158333), as an Additional Director categorized as an Independent Director, not liable to retire by rotation, for a term of 5 years i.e. from 04th June, 2021, subject to approval of the members.

Pursuant to the provisions of Section 161(1) of the Act and Applicable provisions of the Articles of Association of the Company Mr. B. Raghavulu Naidu (DIN: 09158333), shall hold office up to the date of ensuing AGM and is eligible to be appointed as Director. The Company has received in writing a notice under section 160(1) of the Companies Act, 2013 from a member of the company proposing his candidature for the office of Director.

Based on the recommendation of the Nomination and Remuneration Committee meeting held on 12.08.2021 and considering his background, experience and contribution the Board, at its meeting held on 14.08.2021 proposed his respective appointment as Independent Directors (Non-Executive) of the Company, not liable to retire by rotation, a term of five years commencing with effect from 04th June, 2021 to 03rd June, 2026.

- i. The Company has received from Mr. B. Raghavulu Naidu (DIN: 09158333), Consent to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 (the "Rules");
- ii. Intimation in Form DIR-8 in terms of the Rules to the effect that he is not disqualified under the provisions of Section 164(2) of the Act;
- iii. Declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act read with Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations");
- iv. Confirmation in terms of Regulation 25(8) of the Listing Regulations that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his/her duties and Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated 20th June 2018, that he has not been debarred from holding office of a Director by virtue of any order passed by Securities and Exchange Board of India or any other such authority.
- v.

He has also confirmed respectively that they are in compliance with Rules 6(1) and 6(2) of the Rules, with respect to the registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

Brief Profile of Mr. B. Raghavulu Naidu is given below:

Mr. B. Raghavulu Naidu, aged 60 years, is a law graduate and Practicing Advocate with 33 years' of experience in legal area with rich experience in legal aspects in bank operations.

He is Practicing Advocate before the Hon'ble High Court of Madras, NCLT, NCLAT, DRT & DRAT for State Bank of India and others.

He is especially good at interacting with higher Bank Officials, corporate borrowers, advocates and Government Official amicably resolving the legal issues and extended in legal support to the Bank's Official in achieving Bank's business goals.

He has practised as Advocate before the Hon'ble High Court of Madras from the year 1987 to 1991. He joined in the State Bank of India on 11.01.1991 as Assistant Manager (Law) at New Delhi up to 1994. He has worked in SBI, Chennai Zone from the year 1994 to 2007 catering legal support to SBI branch numbering 200 branches.

He has worked in SBI, Local Head Office, Chennai from the year 2007 till retired (i.e.2020) as Assistant General Manager (Law) catering legal support to entire Tamilnadu numbering 1200 branches.

He is not a Director of any other companies/ bodies corporate. He is not holding any equity shares of the Company and he is not related to any Director or KMP of the Company.

In the opinion of the Board, Mr. B. Raghavulu Naidu (DIN: 09158333), fulfils the conditions specified in the Companies Act and SEBI Listing Regulations for appointment as an Independent Director and is independent of the management of the Company. Having regard to his qualifications, experience and knowledge, the Board considers that his association would be of immense benefit to the Company and it is desirable to avail the services of Mr. Raghavulu Naidu as Independent Directors.

The terms and conditions of appointment of Independent Directors are available for inspection without any fee payable by the Members. Members who wish to inspect the same can send a request to cs@apexfrozenfoods.com.

The Resolution set out at Item No.4 of the Notice is put forth for consideration of the members as a special resolution pursuant to Section 149 read with Schedule IV of the Companies Act, 2013 for appointment of Mr. B. Raghavulu Naidu (DIN: 09158333), as an Independent Director of the Company.

Except Mr. Raghavulu Naidu, none of the Directors and key managerial personnel of the Company or their relatives are in anyway concerned or interested, in the Resolution set out at Item No. 4 of this notice.

Your directors recommend the resolution for your approval.

ITEM NO. 5:

The Board of Directors, has appointed Mr. Govindareddy Krishnamoorthy (DIN: 09208749), as an Additional Director categorized as an Independent Director, not liable to retire by rotation, for a term of 5 years i.e. from 22nd June, 2021, subject to approval of the members.

Pursuant to the provisions of Section 161(1) of the Act and applicable provisions of the Articles of Association of the Company Mr. Govindareddy Krishnamoorthy (DIN: 09208749), shall hold office up to the date of ensuing AGM and is eligible to be appointed as Director. The Company has received in writing a notice under section 160(1) of the Companies Act, 2013 from a member of the company proposing his candidature for the office of Director.

Based on the recommendation of the Nomination and Remuneration Committee meeting held on 12.08.2021 and considering his background, experience and contribution the Board, at its meeting held on 14.08.2021 proposed his respective appointment as Independent Directors (non- executive) of the Company, not liable to retire by rotation, a term of five years commencing with effect from 22nd June, 2021 to 21st June, 2021. The Company has received from **Mr. Govindareddy Krishnamoorthy,**

- i. Consent to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualifications of

- Directors) Rules, 2014 (the "Rules");
- ii. Intimation in Form DIR-8 in terms of the Rules to the effect that he is not disqualified under the provisions of Section 164(2) of the Act;
- iii. Declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act read with Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations");
- iv. Confirmation in terms of Regulation 25(8) of the Listing Regulations that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties and
- v. Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated 20th June 2018, that he has not been debarred from holding office of a Director by virtue of any order passed by Securities and Exchange Board of India or any other such authority.

He has also confirmed respectively that they are in compliance with Rules 6(1) and 6(2) of the Rules, with respect to the registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

Brief Profile of Mr. Govindareddy Krishnamoorthy is given below:

Mr. Govindareddy Krishnamoorthy, a qualified Chartered Accountant, aged 67 years, is a Practising Chartered Accountant with 36 years' of experience in the areas of Audit of Banks and Insurance Companies, Taxation and Audit of Public & Private



Companies etc.

He is partner of M/s KALYANSUNDRAM& CO, Chartered Accountants, Chennai since 1985.

He is not a Director of any other companies/ bodies corporate. He is not holding any equity shares of the Company and he is not related to any Director or KMP of the Company.

In the opinion of the Board, Mr. Govindareddy Krishnamoorthy fulfils the conditions specified in the Companies Act and SEBI Listing Regulations for appointment as an Independent Director and is independent of the management of the Company. Having regard to his qualifications, experience and knowledge, the Board considers that his association would be of immense benefit to the Company and it is desirable to avail the services of Mr. Govindareddy Krishnamoorthy as Independent Directors.

The terms and conditions of appointment of Independent Directors are available for inspection without any fee payable by

the Members. Members who wish to inspect the same can send a request to cs@apexfrozenfoods.com.

The Resolution set out at Item No.5 of the Notice is put forth for consideration of the members as a special resolution pursuant to Section 149 read with Schedule IV of the Companies Act, 2013 for appointment of Mr. Govindareddy Krishnamoorthy, as an Independent Director of the Company.

Except Mr. Govindareddy Krishnamoorthy, none of the Directors and key managerial personnel of the Company or their relatives are in anyway concerned or interested, in the Resolution set out at Item No. 5 of this notice.

Your directors recommend the resolution for your approval.

By order of Board
For Apex Frozen Foods Limited

Place: Panasapadu, Kakinada
Date: 14.08.2021

Sd/-
K. Satyanarayana Murthy
Chairman & Managing Director
DIN 05107525

DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING

[Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-2 of General Meetings]

Name of the Director	K Subrahmanya Chowdary	Mr. B.Raghavulu Naidu	Govindareddy Krishnamoorthy
Date of Birth & Age	02.12.1979 (41 Years)	14.06.1960 (61 Years)	07.06.1954 (67 Years)
Date of Appointment	30.03.2012	04.06.2021	22.06.2021
Qualifications	B.Com	B.A.,B.L	Chartered Accountant
Relationship between Directors inter-se	Mr. K S Murthy – Father, Mrs. K.Neelima devi – wife	Nil	Nil
Expertise in specific functional area	He has an experience of 15 years in aquaculture industry. He has played a significant role in the development of our business. He is involved in the business operations and marketing activities of our Company	He is a Practicing Advocate before the Hon'ble High Court of Madras, NCLT, NCLAT, DRT & DRAT for State Bank of India and others. Served as a Law Officer with overall experience of 33 years in legal area with rich experience in legal aspects in bank operations. Especially good at interacting with higher Bank Officials, corporate borrowers, advocates and Government Official amicably resolving the legal issues. Extended in legal support to the Bank's Official in achieving Bank's business goals.	He is a Practicing Chartered Accountant with 36 years' of experience in the areas of Audit of Banks and Insurance Companies, Taxation and Audit of Public & Private Companies etc.
Directorship in other listed companies	Nil	Nil	Nil
Committee position held in other companies	Nil	Nil	Nil
Remuneration Drawn For the FY 2020-21	Rs.126.00 lakhs	Nil	Nil
Share holding as on 31.03.2021	96,43,828	Nil	Nil



Registered Office & Corporate Office

Apex Frozen Foods Limited

3-160, Panasapadu, Kakinada, East Godavari District
Andhra Pradesh - 533005, Tel: 0884 2383902/3/4

Email: info@apexfrozenfoods.com, Website: www.apexfrozenfoods.in

CIN: L15490AP2012PLC080067