



Freshtrop Fruits Limited

Registered Office : A - 603, Shapath IV, S. G. Road, Ahmedabad-380 015, Gujarat, INDIA.
Tel. : +91-79-40307050 - 59 www.freshtrop.com info@freshtrop.com
CIN : L15400GJ1992PLC018365

02/09/2022

To,
The BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400001

Ref: Freshtrop Fruits Limited (530077) / FRESHTRP

Sub: - Submission of Annual Report of the Company pursuant to Regulation 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

Pursuant to Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith, a copy of the Annual Report of the Company for the Financial Year 2021-22, along with the Notice of the 30th Annual General Meeting ('AGM') of the Company.

In compliance with General Circular No 2/2022 dated May 5, 2022 read with circular dated 5 May, 2020, 8th April, 2020 and 13th April, 2020, issued by the Ministry of Corporate Affairs, Government of India, and SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 read with SEBI Circular No SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, and in compliance with the applicable provisions of the Companies Act, 2013, the AGM of the Company has been scheduled to be held on Monday, 26TH September, 2022, at 4.00 PM., through video conferencing ('VC') or other audio-visual means ('OAVM').

In terms of the aforesaid Circulars, Notice convening the 30th AGM and Annual Report of the Company for the Financial Year 2021-22 have been dispatched only through electronic mode (e-mail) to the Members who have registered their e-mail IDs with the Depository Participant(s) / Company. The Annual Report and the Notice have also been on the website of the Company at www.freshtrop.com.

Further, in terms of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management & Administration) Rules, 2014, as amended, the remote e-voting period will commence from Friday, 23rd September 2022 (9:00 a.m., IST) and end on Sunday, 25th September 2022 (5:00 p.m., IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. September 19, 2022, may cast their vote by remote e-voting. Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to cast their vote through e-voting during the AGM.

This is for your information and record.

FOR, FRESHTROP FRUITS LIMITED

ROHIT RAWAT
COMPANY SECRETARY



Unit-I

Gat No. 171, Vill. Jaulke,
Mumbai-Agra Rd.
Post Ozar, Tal. Dindori,
Dist. Nasik-422 207, Maharashtra, INDIA
Tel. : +91-2557-279 172

Unit-II

Survey No. 1366,
Savljaj-Wayfale Rd.
Post Siddhewadi,
Tal. Tasgaon, Dist. Sangli-416 311,
Maharashtra, INDIA

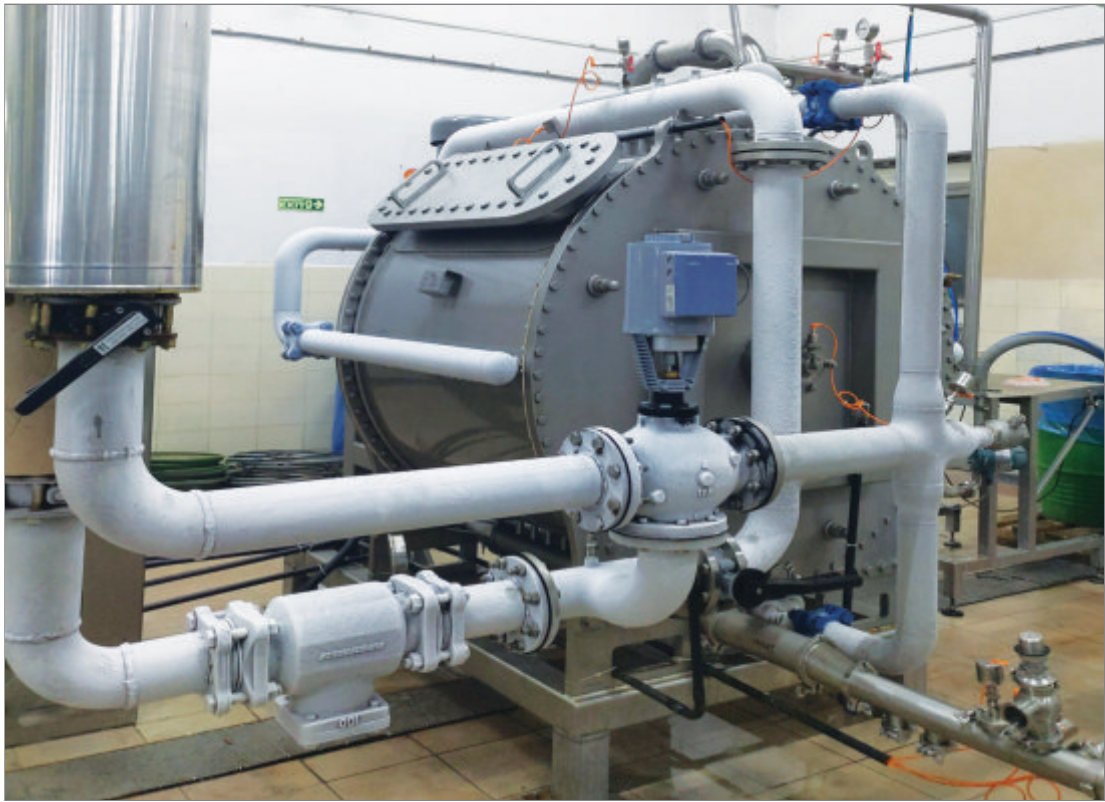
Unit-IV

Gat No. 598/1, Vill. Janori,
Tal. Dindori, Dist. Nasik-422 206
Maharashtra, INDIA
Tel. : +91-70289 16091
+91-2550-667 800



30th Annual Report 2021-2022

FRESHTROP FRUITS LIMITED



Freshtrop
FRESHTROP FRUITS LIMITED

CONTENTS	PAGE NOS.
Notice	3
Director's Report	11
Management Discussion & Analysis	27
Corporate Governance Report	32
Auditor's Report	48
Balance Sheet	58
Statement of Profit and Loss	59
Cash Flow Statement	60
Notes to Financial Statement	64

**ANNUAL REPORT
2021 - 2022****CORPORATE INFORMATION****BOARD OF DIRECTORS**

Mr. Ashok V. Motiani	Chairman & Managing Director
Mrs. Nanita A. Motiani	Whole-Time Director
Mr. Mayur J. Shah	Non-Executive/Independent Director
Mr. Dinesh Oza	Non-Executive/Independent Director (Upto 01.04.2021)
Mr. Anil Sharma	Non-Executive/Independent Director
Mr. Ramchandra Joshi	Non-Executive/Non-Independent Director
Mr. Ashok Murajani	Non-Executive/Independent Director (w.e.f. 29.06.2021)

KEY MANAGERIAL PERSONNEL**Mr. Sanjay Prajapati**

Chief Financial Officer

Mr. Ronak Dhruve (Upto 31.05.2021)
Company Secretary**Mr. Rohit Rawat** (w.e.f. 01.07.2021)
Company Secretary**STATUTORY AUDITORS****M/S. FP & Associates**Chartered Accountants,
708-A, Mahakant, Opp. V. S. Hospital,
Ellisbridge, Ahmedabad – 380 006.**SECRETARIAL AUDITOR**

Manoj Hurkat & Associates

BANKERSAxis Bank Limited
Citibank, N.A.**REGISTERED OFFICE**A-603, Shapath IV, Opp. Karnavati Club,
S.G. Road, Ahmedabad - 380 015**PLANT - I**Gat No. 171, Village Jaulke,
Mumbai Agra Road, Tal.: Dindori,
Dist.: Nasik-422 207, Maharashtra, India.**PLANT - II**Survey No. 1366, Savleji-Wayfale Road,
Post Siddhewadi, Tal.: Tasgaon,
Dist.: Sangli-416 311, Maharashtra, India.**PLANT - IV**Gat No. 598/1, Village Janori. Tal.: Dindori,
Dist.: Nasik-422 206, Maharashtra, India.

FRESHTROP FRUITS LIMITED

(CIN: L15400GJ1992PLC018365)

NOTICE

NOTICE is hereby given that the 30th Annual General Meeting of the Members of **FRESHTROP FRUITS LIMITED** will be held on Monday 26th September 2022 at 4.00 P.M. through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. To receive and adopt audited financial statements of the Company for the financial year 2021-22 and to pass the following resolution, with or without modification, as an **ORDINARY RESOLUTION**:

"RESOLVED THAT the audited financial statements of the Company for the financial year 2021-22 comprising of Balance Sheet as on 31st March, 2022 and Statement of Profit & Loss and cash flow statement for the Financial year ended on 31st March, 2022 together with all annexure and attachment thereto including the Directors' Report and Auditors' Report thereon, which have already been circulated to the Members and as laid before this meeting, be and are hereby approved and adopted."

2. To appoint a director in place of Mr. Ramchandra Gaurishankar Joshi (DIN: 00231568), who retires by rotation and being eligible, offers himself for re appointment and to pass following resolution, with or without modification, as an **ORDINARY RESOLUTION**:

"RESOLVED THAT the retiring Director, Mr. Ramchandra Gaurishankar Joshi (DIN: 00231568), be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.

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

"RESOLVED THAT pursuant to the provisions of Section 139, 142 of the Companies Act 2013 read with Rule 3 of the companies (Audit & Auditors) Rules 2014 and other applicable provisions of the Companies Act 2013, if any, including any statutory modification(s) or re-enactment thereof for the time being in force, M/s F P & Associates, Chartered Accountants (Firm Registration Number-0143262W) be and is hereby re-appointed as the Statutory Auditors of the Company, to hold office for another term of five years starting from the conclusion of this Annual General meeting i.e. 30th AGM till the conclusion of 35th Annual General Meeting of the Company on such remuneration (including fees for certification) and reimbursement of out of pocket expenses for the purpose of audit as may be fixed by the Chairman and Managing Director of the Company in consultation with the said Statutory Auditors.

Date: 9th August, 2022

Registered Office

A-603, Shapath IV,
Opp. Karnavati Club, S. G. Road,
Ahmedabad – 380015

By order of the Board
For Freshtrop Fruits Limited

Ashok Motiani

Chairman & Managing Director
(DIN: 00124470)

NOTES:

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, Circular No. 02/202-22 dated 13th January, 2021 and Circular No. 2/2022 dated 5th May, 2022 (collectively referred to as 'MCA Circulars') and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 read with Circular No. **SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021** and SEBI/HO/CFD/CMD2/ CIR/P/2022/62 dated 13th May, 2022 . The forthcoming AGM will thus be held through video conferencing (VC) or other audio-visual means (OAVM) and physical presence of Members at the AGM venue is not required. Hence, Members can attend and participate in the 30th AGM through VC/OAVM.
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, 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 National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized e-Voting 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 NSDL.
3. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
4. In compliance with the aforementioned MCA and SEBI Circulars, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depository Participant. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website www.freshtrop.com, website of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and on the website of National Securities Depository Limited (NSDL) <https://www.evoting.nsdl.com>.
5. The Members can join the AGM through VC/OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice and shall be closed after expiry of 15 minutes from the scheduled time. The facility of participation at the AGM through VC/OAVM will be made available to 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.
6. Since the AGM will be held through VC / OAVM, the Route Map of the AGM venue is not annexed to this Notice.
7. Members can attend and participate in the AGM through VC / OAVM only. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
8. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Bigshare Services Private Limited in case the shares are held by them in physical form.

9. Shareholders holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by sending a duly signed request letter to the Registrar and Transfer Agents of the Company Bigshare Services Private Limited by providing Folio No. and Name of shareholder. Shareholders holding shares in dematerialized mode are requested to register / update their email addresses with the relevant Depository Participants.
10. Corporates Members are required to send scanned copy (PDF/ JPG Format) of the relevant Board or Governing Body Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory (ies) who are authorized to vote, to the Scrutinizer by e-mail to manojhurkat@hotmail.com with a copy marked to evoting@nsdl.co.in.
11. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
12. Members who would like to express their views/ask questions as a speaker at the Meeting may pre-register themselves by sending a request from their registered e-mail address mentioning their names, DP ID and Client ID/folio number, PAN and mobile number at secretarial@freshtrop.com from Saturday, September 9, 2022 (10.00 a.m. IST) to Monday, September 18, 2022 (4.00 p.m. IST). Only those Members who have pre-registered themselves as a speaker will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
13. Pursuant to the provisions of Section 91 of the Act, the Register of Members and Share Transfer Books will remain closed from Monday, September 19, 2022, to Monday, September 26, 2022, both days inclusive.
14. 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 www.freshtrop.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
15. Pursuant to the provisions of Sections 124 and 125 of the Act, dividends, which remain unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account, are required to be transferred to the IEPF established by the Central Government. The details of unpaid dividend are placed on the website of the Company at www.freshtrop.com.

Following is the due date for transfer of unclaimed dividend to the IEPF

Financial Year	Dividend rate per share	Date of Declared	Due Date for Transfer to IEPF
2014-15	1.00	18 Sep 2015	03 Nov 2022
2015-16	1.00	21 Sep 2016	05 Nov 2023

16. The Board of Directors in their Meeting held on 9th August 2022 appointed Mr. Manoj Hurkat, Practicing Company Secretary, Ahmedabad of M/s Manoj Hurkat & Associates (Membership No.4287 & CP No. 2574) or failing him any other Practicing Company Secretary, as may be appointed by authorised officials, as a Scrutinizer for overseeing the remote e-voting process in a fair and transparent manner.
17. The Scrutinizer shall submit his report to the Chairman, or any other person authorised by him. Results declared along with report of the Scrutinizer shall be placed on the website of the Company www.freshtrop.com and on the website of NSDL <https://www.evoting.nsdl.com>. Immediately after declaration of result by the Chairman or any person authorized by him in this behalf.

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

The remote e-voting period begins on Friday September 23, 2022 at 9:00 A.M. and ends on Sunday September 25, 2022 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Monday 19th September 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Monday 19th September 2022.

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

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

Step 1: Access to NSDL e-Voting system
A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
	2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com . Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp
	3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page.

	Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in demat mode with CDSL	1) Existing users who have opted for Easi / Easiest, they can login through their 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 www.cdslindia.com and click on New System Myeasi.
	2) After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.
	3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration
	4) Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/ CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
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
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 helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

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

4. Your User ID details are given below:

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

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered

6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a) Click on **“Forgot User Details/Password?”** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **“Physical User Reset Password?”** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at **evoting@nsdl.co.in** mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

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

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

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to manojhurkat@hotmail.com with a copy marked to **evoting@nsdl.co.in**.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to (SaritaM@nsdl.co.in) at **evoting@nsdl.co.in**

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to (Company email id).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to (Company email id). If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be 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 in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join General meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at secretarial@freshtrop.com. The same will be replied by the company suitably.

DIRECTORS' REPORT

DEAR MEMBERS,

Your directors are pleased to present the 30th Annual Report along with the audited financial statements of your Company for the financial year ended on 31st March 2022.

FINANCIAL PERFORMANCE SUMMARY

Pursuant to notification dated 16th February 2015 issued by the Ministry of Corporate Affairs, the Company has adopted the Indian Accounting Standards ("IND AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 prescribed under Section 133 of the Companies Act, 2013 (as amended from time to time) with effect from 1st April 2016 and the accounts are prepared under IND AS.

The summary of the financial performance for the year is given below:

Rs. in lakh

Particular	2021-22	2020-21
Revenue from operations	17,410.12	14,653.98
Other Income	458.70	389.35
Total Income	17,868.81	15,043.33
Total Expenses	16,836.75	13,742.38
Profit Before Tax	1,032.06	1,300.95
Tax Expenses		
- Current Tax	326.31	329.45
- Deferred Tax	(29.87)	22.94
Profit After Tax	735.62	948.56
Other Comprehensive income (net of tax)	17.52	(46.22)
Total Comprehensive Income for the period / year	753.15	902.33
Earning Per Equity Share (EPS) for the period (Face Value of 10)		
• Basic	6.86	8.52
• Diluted	6.86	8.52

REVIEW OF OPERATIONS:

During the year under review the revenue of the Company increased from Rs.14,654 Lakhs to Rs.17,410 Lakhs, an increase of 18.81%. This increase is mainly due to a very large increase in Sea freight rates. However, the profit after tax decreased from Rs. 949 Lakhs to Rs. 736 Lakhs, decrease of 22.45%. Multiple reasons contributed to this lower performance. Post Covid changes and the war in Ukraine which started in the end of February, which was right in the middle of the season are some of the main reasons. We hope the international business environment which has changed considerably in the last 3 years will stabilize and we would be able to improve the performance of the company in the coming years.

FRESH FRUITS SEGMENT:
TABLE GRAPES

This segment contributes a major part of our business. Though the revenue from this segment increased from Rs 10,398 to Rs11,112 Lakhs an increase of 6.87%, the profit before tax and interest from this segment reduced from Rs1958 to Rs1594 a reduction of 18.59%. Logistics continued to

be a major area of concern. The sea freight from Mumbai to Rotterdam, which had gone up from US\$ 2,000 for a 40 ft refer container during the 2020 season to US\$4,000 in 2021 season went up further to over US\$7,500 for the 2022 season. This has had a crippling effect on the Indian grape export business. Our main markets are EU and UK and our main competitors in these markets are South Africa and Chile. Though there was a disturbance in shipments from these countries to Europe, the sea freight from these destinations did not increase in the same proportions as from India to Europe. This resulted in significantly reducing the gap between the final landed cost of Indian grapes as compared to South African/Chilean grapes. Many buyers shifted their orders for the earlier part of the Indian season to South Africa. Besides the increase in the sea freight rates the transit time from India to Europe which was in the range of 19 to 25 days increased to 30 to 40 days. Our product is highly perishable in nature and such an increase had an impact on the quality of the product on arrival at destination.

This segment has had many more difficulties this season. The weather conditions in one of our main growing areas of Sangli were not favorable. The grapes from this area had quality issues and were not acceptable, and we had to go to other growing areas to make up the short fall resulting in higher costs and a compromised quality. China one of the largest potential markets displayed their reluctance in taking Indian grapes. They insisted on Video inspection of grape orchards and pack houses specially to see the Covid controls being followed in India. Full season went by before they cleared imports of Indian grapes to China. In addition to all this the Government support also dropped very significantly. MEIS @5% was reduced to RoDTEP @ 3% with a cap of Rs. 3 /kg. Now when the sea freight is at an all-time high and is having its largest impact on the business, Transport assistance (TMA) has been suspended from 1st April 2021.

FOOD PROCESSING SEGMENT

The revenue from the food processing segment continues to increase. It grew from Rs. 4256 Lakhs to Rs. 6298 Lakhs an increase of almost 48%, but despite such a large increase there is still a loss before tax and interest of Rs. 114.66. We have always felt that this business has a good scope for growth in the domestic market, mainly due to changing lifestyle, higher disposable income and changing consumer consumption pattern. However, there are plenty of challenges and now even after over 10 years of operations the segment has still not resulted in a profit for the Company.

The growth of revenue in this business has come mainly from exports. Post Corona the preferences of the consumers have changed. Some of our products are seeing additional demand while some other products are showing a decline. Here too logistics continue to play an important part and they have not been very favorable in the last few years.

The HPP cold pressed fruits and vegetable juices are showing some demand from the HORECA segment in the domestic market as there seems to be a revival in the travel and tourism industry in the country. Retail sales of the 'Second Nature' branded juices are also very limited. We are exploring export markets for these juices the response so far is good.

DIVIDEND:

Your directors do not recommend any Dividend for the financial year ended on 31st March 2022 in order to conserve resources of the Company. The Company will retain the earnings for use in future operations and projects and strive to increase the net worth of Stakeholders of the Company.

CHANGES IN SHARE CAPITAL:

The Board of Directors of the Company at their meeting held on 28th January 2021 have approved the Buy-back of fully paid-up equity shares having face value of Rs. 10/- each. From the members of the Company (except promoters, promoter group and persons in control of the Company) at a price not exceeding Rs. 90/- per Equity Share ("Maximum Buyback Price") and for an aggregate amount not exceeding Rs. 6.75 Crores ("Maximum Buyback Size"), which was less than 10% of the paid-up capital and free reserves of the Company as on March 31, 2020, from the open market through Stock Exchange mechanism, in accordance with the provisions of SEBI (Buyback of Securities) Regulations, 2018 and the Companies Act, 2013 and Rules made thereunder ("Buyback") at the

Maximum Buyback Price and for the Maximum Buyback Size. the indicative maximum number of Equity Shares to be bought back was to be 7,50,000 equity shares ("Maximum Buyback Shares") (comprising 6.73 % of the paid-up capital). Under the Buyback, the Company approved to utilize at least 50% of the amount earmarked as the maximum Buyback Size for the Buyback i.e., Rs. 3.375 Crores ("Minimum Buyback Size"). Pursuant to the aforesaid Buyback offer, the Company has bought back 4,57,004 equity shares at aggregate amount of Rs. 3,61,95,074/- at average price of Rs. 79.20 per equity shares at the end of Buyback period. The Buyback period commenced from 10th February 2021 and ended on 5th July 2021. Post buyback, the paid-up capital of the Company stands reduced to Rs. 10,68,79,960/- divided into 1,06,87,996 Equity shares of Rs. 10/- each.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There are no adverse material changes or commitments occurred after 31st March 2022 which may affect the financial position of the Company or may require disclosure.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

During the year under review, Mr. Dinesh Oza resigned as Independent Director of the Company 1st April, 2021. The Company has appointed Mr. Ashok C Murajani as an Additional Independent Director of the Company for a period of five years.

Moreover, Mr. Ronak Dhruve also resigned as Company Secretary and Compliance Officer of the Company w.e.f. 31st May, 2021. The Company has appointed Mr. Rohit Rawat as Company Secretary and Compliance Officer of the Company w.e.f. 1st July, 2021.

Regarding proficiency, the Company has adopted requisite steps towards the inclusion of the names of all Independent Directors in the data bank maintained with the Indian Institute of Corporate Affairs, Manesar ('IICA'). Accordingly, all the Independent Directors of the Company have registered themselves with IICA for the said purpose. In terms of Section 150 of the Act read with the Companies (Appointment & Qualification of Directors) Rules, 2014, as amended vide Notification No. GSR.774(E), dated 18.12.2020, since all the Independent Directors of the Company have served as Directors for a period of more than three (3) years on the Board of Listed Company as on the date of inclusion of their names in the database except Mr. Ashok C. Murajani, they are not required to undertake online proficiency self-assessment test. Mr. Ashok C. Murajani has informed the Company that he will undertake the online assessment test before due date.

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS:

In accordance with the SEBI (LODR) (Amendment) Regulations, 2018; a certificate has been received from M/s. Manoj Hurkat & Associates, Practicing Company Secretaries, that none of the Directors on the Board of the Company has been disqualified to act as Director. The same is annexed as Annexure No V to the directors' report.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, state the following:

- a. That in the preparation of the annual financial statements, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
- b. That such accounting policies have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as of 31st March 2022 and of the profit of the Company for the year ended on that date.
- c. That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. That the annual financial statements have been prepared on a going concern basis.

- e. That proper internal financial controls were in place and that the financial control was adequate and were operating effectively.
- f. That proper system to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

INSURANCE:

The assets of the Company are adequately insured against the loss of fire and other risks which are considered necessary by the management.

INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY:

The details in respect of internal financial control and their adequacy are included in Management Discussion and Analysis Report which forms part of this report.

DEPOSIT:

During the year under review, your Company has not accepted any fixed deposits within the meaning of Section 73 of the Companies Act, 2013 read with rules made there under.

COMPLIANCE OF APPLICABLE SECRETARIAL STANDARDS:

The Company has complied with applicable Secretarial Standards during the year under review.

IMPACT OF RUSSIA UKRAINE WAR:

While we were still learning how to manage the Impact of COVID-19 Pandemic on our fresh fruit export business, a war broke out in Europe between Russia and Ukraine on 24th February 2022. US announced sanctions on Russia. Pulled it out of the international money transfer system (SWIFT). This completely brought to a halt the payments coming from Russian importers. Even those remittances that were in the banking system on that day were put on hold. The Russian currency (Ruble) depreciated over 50% against the US\$ in a matter of days. Russia contributes about 10% of our grape export business. We had goods in transit consigned to buyers in Russia when the war started. All major shipping lines stopped their service to Russian ports, though after some time the shipping lines did deliver what was in transit, the excessive delay had an impact on the quality of our grapes. The post war financial conditions also had an on our grape export business with Russia.

The war has also had a very large impact on the European Economy. Both the currencies Euro and the GBP have depreciated significantly. As this war continues, with no end in sight the impact is expected to last for some more time.

CERTIFICATION:

During the year under review, the Company has obtained the following certifications pertaining to the Highest International Standard of Food Safety and Hygiene:

1. **ISO 22000** - ISO 22000 is international standard developed by the International Organization for Standardization dealing with food safety, it is systematic and proactive approach to identification of food safety hazards, development and implementation of control measures.
2. **SGF International E.V.** - This certifies participation of the Company voluntary self-control safe guide in the fruit juice segment for enhancing customer and consumer safety.
3. **SEDEX (Supplier Ethical Data Exchange)** - SEDEX is world's largest collaborative platforms for sharing responsible sourcing data on supply chains; the company is member of SEDEX.
4. **Halal Certificate** - Halal Products are "universal" products not only suitable for Muslims consumption, but it is also ensuring the safety of nation's food supply and we acquired this certificate to export our products in Islamic Countries.
5. **Kosher Certificate** - This certificate provides certification for ingredients, packaged foods, beverages, and certain materials, as well as food-service providers and facilities in which kosher food is prepared or served. This certification provides certificate as per standards set in Jewish dietary law. kosher symbol boosts market share, that a kosher product can win more

favorable shelf space, and that positioned next to a competing non-kosher brand. This certificate helps in increasing the salability of the product in the international supermarkets.

6. **BRC certificate** - the BRC certificate for Food Safety as requirements of the EU General Product Safety, the BRC certificate is for Nashik (Unit I) Pack house and Sangli (Unit II) Pack house.
7. **FDA** - The Food and Drug Administration ensuring the safety of food supply in US Market.
8. **APEDA Pack House** - The APEDA Recognition for pack house will be granted for multiple produce for which appropriate facilities and procedural compliances as per the importing countries. APEDA Pack house has Recognition for Nashik (Unit I) and Sangli (Unit II) as Pack house.
9. **Global GAP Certificate** - it is a voluntary set worldwide standard for agriculture producer for adoption of safe and sustainable practices.
10. **Walmart Supply Chain Security** - is the accumulation of controls throughout the supply chain process that enhance the security of the supply chain during the transportation of finished, we follow the same for Unit I and Unit II.
11. **Fairtrade certificate** - Fair trade is an alternative approach to conventional trade based on a partnership between producers and traders, businesses, and consumers.
12. **FSSAI License** - Food Safety and Standards Authority of India, is the food regulatory body of India, The FSSAI registration becomes mandatory in order to ensure safe, and smooth operations of the food business. FSSAI food license helps the government, as well as the consumers, feel assured that the regulation of the storage, production, distribution, and the sales has been carried out in a way that the food products are fit for consumption. FSSAI License is for Nasik (Unit I) Pack house and Sangli (Unit II) Pack house and Nashik processing unit (Unit IV).
13. **Amfori BSCI** - The Amfori BSCI is based on the labor standards of the International Labour Organization (ILO) as well as on national regulations. This initiative aims at continuously improving the social performance of suppliers, ultimately enhancing working conditions in factories worldwide.

ENERGY CONSUMPTION:

Total energy consumption and energy consumption per unit of production are as under:

Particular		2021-22	2020-21
Electricity			
a) Purchased			
Units	KWH	2,790,564	2,331,654
Total amount	Rs	24,073,030	21,373,404
Rate / Unit	Rs	8.63	9.17
b) Own Generation through Diesel Generator Set			
Units			
Quantity	Ltrs	24,370	24,515
Total Amount	Rs	2,253,028	1,843,978
Rate / Unit	Rs	92.45	75.22
c) Coal and other Fuels			
Units	Kgs	1,020,000	565,060
Total Amount	Rs	11,829,499	4,238,994
Rate / Unit	Rs	11.60	7.50

TECHNOLOGY ABSORPTION AND ENERGY CONSERVATION:

The Company has a continuous focus on energy conservation. Regular studies are conducted to analyze quantitative energy conservation patterns and variances are rigorously scrutinized. The Company regularly benchmarks its energy conservation levels and consistently works towards improving efficiencies.

FOREIGN EXCHANGE EARNING AND OUTGO:

Foreign Exchange earnings during the year amounts to Rs. 1,72,15,24,689/- (Previous Year Rs. 1,35,74,85,102) and Foreign Exchange outgo during the year was Rs. 31,83,36,640/- (Previous Year Rs. 13,72,05,581).

WEB ADDRESS FOR ANNUAL RETURN AND OTHER POLICIES/ DOCUMENTS:

In line with the requirement of the Companies (Amendment) Act, 2017, effective from 31st July 2018, the extract of annual return is no longer required to be part of the Board Report. However, for the Compliance of Conditions of Section 92 and Section 134, draft copy of the Annual Return for the financial year ended 31st March 2022 and other policies of the Company shall be placed on the Company's website: www.freshtrop.com.

NUMBER OF BOARD MEETINGS:

The Board of Directors met 8 (eight) times on 14th April 2021, 29th June 2021, 2nd July 2021, 13th August 2021, 12th November 2021, 30th November 2021, 1st February 2022 and 14th February 2022 during the year under review. The details of board meetings and the attendance of the Directors are provided in the Corporate Governance Report which forms part of this Report.

The maximum interval between any two meetings was well within the maximum allowed gap of 120 days.

INDEPENDENT DIRECTORS' MEETING:

The Independent Directors met once during the year under review, without the attendance of Non-Independent Directors and members of the Management. The Independent Directors reviewed the performance of non-independent directors and the Board as a whole; the performance of the Chairperson 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 that is necessary for the Board to effectively and reasonably perform their duties.

BOARD EVALUATION:

The Board implemented a formal mechanism for assessing its performance and as well as that of its committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a designed assessment process covering various features of the Boards functioning such as composition of the Board & committees, experience & proficiencies, performance of specific duties & obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

In accordance with the applicable provisions of Companies Act, 2013 (hereinafter referred to as "the Act") read with Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred to as the "IEPF Rules"), all dividends which are unclaimed or unpaid for a period of more than 7 years, from the date of transfer of the same into unpaid/unclaimed dividend account and shares pertaining to it, are required to transfer into demat account of iepf authority therefor to comply with the said requirement the company transferred the unpaid/unclaimed dividend, declared in the FY 2013-14, amounting to Rs. 3,06,086/- towards the 9,350 shares on 02/11/2021 and 26/11/2021 respectively.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the

Companies Act, 2013 are given in the notes to the Financial Statements.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

The Company's policy on directors' appointment, remuneration and other matters provided in Section 178 (3) of the Companies Act, 2013 is available on the website of the Company i.e. www.freshtrop.com.

CORPORATE SOCIAL RESPONSIBILITY:

The details of Corporate Social Responsibility (CSR) carried out by the Company are appended in the **Annexure-A** to the Directors' Report.

The particulars of the CSR committee constituted by the Company pursuant to the provisions of Section 135 of the Companies Act, 2013 and the rules forming part of the same are included in the Corporate Governance Report annexed and form part of this Annual Report.

PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Companies Act, 2013, the Report and Accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the Registered Office of the Company during business hours on working days of the Company upto the date of the ensuing Annual General Meeting. If any member is interested in inspecting the same, such member may write to the Company Secretary in advance.

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

A separate report on Corporate Governance compliance and a Management Discussion and Analysis Report as stipulated by Listing Regulations forms part of this Annual Report along with the required Certificate from a Practicing Company Secretary regarding compliance of the conditions of Corporate Governance as stipulated.

In compliance with Corporate Governance requirements, your Company has formulated and implemented a Code of Business Conduct and Ethics for all Board members and senior management personnel of the Company, who have affirmed the compliance thereto.

FORMATION OF VARIOUS COMMITTEES:

Details of various committees constituted by the Board of Directors as per the provision of the SEBI Listing Regulations and the Companies Act 2013 are given in the Corporate Governance Report annexed which is a part of this report.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE:

As per the requirement, The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 read with rules made thereunder, Your Company has constituted Internal Complaints Committee which is responsible for redressal of complaints related to sexual harassment. During the year under review, there were no complaints pertaining to sexual harassment. The Company is compliant of all applicable provisions of the said Act.

EXTRACT OF ANNUAL RETURN:

Pursuant to Companies Amendment Act, 2017 and Rule 12 (substituted from time to time) of the Companies (Management and Administration) Rules, 2014, the requirement of attaching Extract of Annual Return in Form MGT-9 with Board Report has been discontinued.

The draft of the Annual Return of the Company for the financial year 2021-22 in form MGT-7 will be placed on the website of the Company at www.freshtrop.com.

RELATED PARTY TRANSACTIONS:

All the related party transactions entered into during the financial year 2021-22 were on an arm's length basis and were in the ordinary course of business. Your Company has not entered into any

transactions with related parties which could be considered material in terms of Section 188 of the Companies Act, 2013. Accordingly, the disclosure of related party transactions as required under Section 134(3) (h) of the Companies Act, 2013 in Form AOC 2 is not applicable.

SECRETARIAL AUDIT REPORT:

Pursuant to the provisions of Section 204 of the Act read with the rules made thereunder, your Company had appointed Mr. Manoj Hurkat, Practicing Company Secretary to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for financial year 2021-22 is annexed which forms part of this report as Annexure - B. There were no qualifications, reservation or adverse remarks in the Secretarial Audit Report of the Company except one day delay in reporting financial result for the quarter ended 31st December 2021.

INTERNAL AUDITORS:

The Board of Directors had reappointed Mr. Kalpesh Parikh as an internal auditor for F.Y. 2022-23.

DETAILS OF SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL:

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

AUDITORS' & AUDITORS' REPORT:

Pursuant to the provisions of Section 139 of the Act read with rules made thereunder, as amended from time to time, M/s F P & Associates, Chartered Accountants (Firm Registration Number - 0143262W), "the Auditor" were appointed as statutory auditors of the Company to hold office from the conclusion on 25th Annual General Meeting till the conclusion of the 30th Annual General Meeting, subject to ratification of their appointment at every AGM, if required under law.

The current term of the statutory auditor is up to the conclusion of this upcoming 30th AGM and required fresh approval of the shareholders to continue as a statutory auditor of the company for the second term. Therefore the Audit committee and Board of Directors in their respective meetings held on 9th August 2022 recommends the said re-appointment of the statutory auditor for the second term of 5 years effective from the conclusion of the 30th Annual General Meeting till the conclusion of the 35th Annual General meeting of the company on such remuneration (including fees for certification) and reimbursement of out of pocket expenses for the purpose of audit as may be fixed by the Chairman and Managing Director of the Company in consultation with the said Statutory Auditor.

Notes to the financial statements referred in the Auditors Report are self-explanatory and therefore do not call for any comments under Section 134 of the Act. The Auditors' Report is enclosed with the financial statements in this Annual Report.

ACKNOWLEDGMENT:

Your directors place on records their appreciation of the sincere and devoted services, rendered by all employees of the company and the continued support and confidence of the customers. The Board expresses special thanks to progressive farmers of Maharashtra who have worked hard to achieve International Standards in the quality of their produce. The Board also expresses its sincere thanks to Axis Bank Ltd and their officers, Agricultural and Processed Food Products Export Development Authority (APEDA), Ministry of Food Processing Industry (MFPI) and all other well-wishers, for their timely support.

Date: August 9, 2022,

Registered Office

A-603, Shapath IV,
Opp. Karnavati Club, S. G. Road,
Ahmedabad – 380015

By order of the Board
For Freshrop Fruits Limited

Ashok Motiani

Chairman & Managing Director
(DIN: 00124470)

ANNEXURE - A
TO DIRECTORS REPORT
ANNUAL REPORT ON CSR ACTIVITIES

1. **A brief outline of Company's CSR Policy, including overview of products or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs.**

The Company has framed a CSR Policy in compliance with the provisions of section 135 of the Companies Act, 2013 and the same is placed on the website of the Company and the web link for the same is at: www.freshtrop.com

The Company has outlined the following thrust areas in the CSR Policy:

- i) Health, Safety and Environment,
- ii) Education, Knowledge Enhancement and Research, and
- iii) Social care, concern and outreach in times of emergencies.

The Board of Directors on the recommendation of CSR Committee approved the CSR spending by providing financial support and other assistance for specific activities/projects to various NGOs/Trusts and some amount was spent directly.

2. **The Composition of the CSR Committee**

A Committee of the directors titled 'Corporate Social Responsibility Committee' was constituted by the Board with the following members:

- a) Mrs. Nanita Motiani, Chairperson
- b) Mr. Mayur Shah, Member
- c) Mr. Anil Sharma, Member

Sr. No.	Name of Director	Designation/ Nature of Directorship	No of meeting of CSR Committee held during the the year	No of meeting of CSR Committee attended during
1	Mrs. Nanita Motiani	Chairperson	1	1
2	Mr. Mayur Shah	Member	1	1
3	Mr. Anil Sharma	Member	1	1

3. The Company has framed a CSR Policy in compliance with the provisions of section 135 of the Companies Act, 2013 and the same is placed on the website of the Company and the web link for the same is www.freshtrop.com.
4. Provide the Details of impact assessment of CSR Projects out in pursuance of sub-rule (3) of rule 8 of the companies (Corporate Social responsibility Policy) Rules, 2014 if applicable (attach the report) - Not Applicable
5. Detail of the amount available for setoff in pursuance of sub-rule (3) of rule 7 of the (Companies Corporate Social Responsibility Policy) rule 2014, and amount required for set off for the financial year, if any: Rs. 91,674
6. Average net profit of the Company as per section 135(5): Rs. 11,74,62,850
7. Two percent of average net profit of the Company as per section 135(5): Rs. 23,49,257
- b) Surplus arising out of the CSR Projects or Programs or Activities of the previous financial years: Not applicable

c) Amount required being set-off for the financial year, if any: Not applicable

d) Total CSR Obligation for the Financial Year [7a+7b-7c]: 23,49,257

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

Total Amount spent for the financial year (in Rs.)	Amount Unspent (in Rs.)				
	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 fund	Amount	Date of Transfer
34,30,931	Nil	Nil	Nil	Nil	Nil

(b) Details of CSR amount spent against on-going projects for the financial year.

Sr. No.	Name of project	Items from the list of Activities in Schedule VII to the Act.	Local Area	Location of project		Project Duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial year (in Rs.)	Amount transferred to Unspent CSR account for the project as per Section 135(6) (in Rs.)	Mode of implementation Direct (in Rs.)	Mode of implementation through implementation agency	
				State	Dist- rict						Name	CSR Regis- tration No.
1,	Education Programme	Promoting Education, Skill Development and Infrastructure facilities	Local Area	Maharashtra	Sangli	3 years	22,50,000 FY 2021-22	9,90,000	Rs. 22,50,000	Direct	N.A.	N.A.

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

Sr. No.	Name of the project	Items from the list of activities in schedule VII to the act.	Local area (Yes/No.)	Location of project		Amount spent for the project (in Rs. Lakhs)	Mode of implementation -Direct (Yes/No)	Mode of implementation Through implementation agency	
				State	District			Name	CSR Registration Number
1	Promoting Health Care	Oxygen Cylinder	YES	Maharashtra	Nashik	1,00,000	YES	NA	NA
2	Promoting Health Care	Oxygen Concentrator	YES	Maharashtra	Nashik	75,000	YES	NA	NA
3	Promoting Infrastructure	Road Construction	YES	Maharashtra	Nashik	2,50,931	YES	NA	NA
4	Educational Program	Promoting education, including special education and employment enhancing vocation skills	YES	Maharashtra	Nashik	10,00,000	NO	YES	CSR00017699
5	Promoting Health Care	Health Care	YES	Gujarat	Nadiad	2,50,000/-	NO	YES	CSR00005235
6	Educational Program	Paver Block in School	YES	Maharashtra	Nashik	5,00,000/-	YES	NA	NA
7	Educational Program	LG-50 LED-5	YES	Maharashtra	Sangli	2,65,000/-	YES	NA	NA
	TOTAL					24,40,931/-			

* Implementing Agencies includes various NGOs/Trusts.

(d) Amount Spent in Administrative Overhead: NA

(e) Amount spent on Impact assessment, if applicable: NA

(f) Total amount spent for the financial year [8b+8c+8d+8e]: 34,30,931

(g) Excess amount for set off, if any: 91,674

Sr. No.	Particulars	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	23,49,257/-
(ii)	Total amount spent for the financial year	24,40,931/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	91,674/-
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial year, if any	0.00
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	91,674/-

9. (a) details of Unspent CSR Amount for the preceding three financial years:

Sr. 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 year (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of transfer	
1	2018-19	NA	4,29,688	NA	NA	NA	NA
2	2019-20	NA	2,85,000	NA	NA	NA	NA
3	2020-21	22,50,000/-	9,90,000/-	NA	NA	NA	12,60,000/-
	TOTAL	NA	17,04,688/-	NA	NA	NA	12,60,000/-

10. Details of CSR amount spent in the financial year for ongoing projects of the preceding financial years(s):

Sr. No.	Project ID	Name of The Project	Project Duration	Total amount allocated for the project (in Rs.)	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial year (in Rs.)	Cumulative amount spent at the end of the reporting Financial Year (in Rs)	Status of the project Completed /Ongoing
1.	01	Education Program	3 Years	22,50,000	22,50,000	9,90,000	9,90,000	Ongoing

11. In case of creation or acquisition of capital assets, furnish the details relating to the assets so created or acquired through CSR spent in the financial year: Not Applicable**(Asset-wise details)**

Date of acquisition of the capital asset(s): N.A.

Amount of CSR spent for creation or acquisition of capital assets: N.A.

Details of the entity or public authority or beneficiary under whose name such capital assets is registered, their address etc.: N.A.

Provide details of the capital assets(s) created or acquired (including complete address and location of the capital assets): N.A.

12. Specify the reason(s), if the company has failed to spend two percent of the net profit as per section 135(5): N.A.

ANNEXURE B
TO THE DIRECTORS REPORT
FORM NO. MR-3
SECRETARIAL AUDIT REPORT

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

To

The Members

FRESHTROP FRUITS LIMITED

(CIN: L15400GJ1992PLC018365)

A-603, Shapath - IV, Opp. Karnavati Club,

S G Highway Ahmedabad – 380015

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

Based on our verification of the books, papers, minute books, forms, and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2022 complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms, and returns filed and other records maintained by the Company for the financial year ended on 31st March 2022 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the Rules made thereunder.
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder.
- III. The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder.
- IV. The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company :-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (upto 12th August 2021); The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (w.e.f. 13th August 2021).

- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (upto 15th August 2021); The Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021 (w.e.f. 16th August 2021).
- 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 (upto 9th June 2021); The Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2021 (w.e.f. 10th June 2021);
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

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

- I. Secretarial Standards issued by The Institute of Company Secretaries of India.
- II. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We hereby report that during the period under review. the Company has complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above except for the delay of one day in submission of complete set of financial results for the quarter ended on 31st December 2021 with the BSE Limited under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations. 2015.

- VI. We further report that having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records 'in pursuance thereof. on test-check basis, the Company has complied with the provisions of The Food Safety, and Standards Act, 2006 and Rules made thereunder, as is specifically applicable to the Company.

We further report that:

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. There were no changes in the composition of the Board took place during the period under review.
- b) Adequate notice is given to all Directors to schedule the Board Meetings at least seven days in advance. Agenda and detailed notes on agenda were also sent to all Directors and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

We further report that during the audit period, the following events /actions have taken place which have major bearing on the affairs of the Company in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.:

The Board of Directors of the Company at their meeting held on 28th January 2021 have approved the Buy-back of fully paid-up equity shares having face value of Rs. 10/- each. From the members of the Company (except promoters, promoter group and persons in control of the Company) at a price not exceeding Rs. 90/- per Equity Share ("Maximum Buyback Price"). And for an aggregate amount not exceeding Rs. 6.75 Crores ("Maximum Buyback Size"), which was less than 10% of the paid-up capital and free reserves of the Company as on March 31, 2020, from the open market through Stock Exchange mechanism, in accordance with the provisions of SEBI (Buyback of Securities) Regulations, 2018 and the Companies Act, 2013 and Rules made thereunder ("Buyback"). At the

Maximum Buyback Price and for the Maximum Buyback Size. the indicative maximum number of Equity Shares to be bought back was to be 7,50,000 equity shares ("Maximum Buyback

Shares") (comprising 6.73 % of the paid-up capital). Under the Buyback, the Company approved to utilize at least 50% of the amount earmarked as the maximum Buyback Size for the Buyback i.e., Rs. 3.375 Crores ("Minimum Buyback Size"). Pursuant to the aforesaid Buyback offer, the Company has bought back 4,57,004 equity shares at aggregate amount of Rs. 3,61,95,074/- at average price of Rs. 79.20 per equity shares at the end of Buyback period. The Buyback period commenced from 10th February 2021 and ended on 5th July 2021. Post buyback, the paid-up capital of the Company stands reduced to Rs. 10,68,79,960/- divided into 1,06,87,996 Equity shares of Rs. 10/- each.

For MANOJ HURKAT & ASSOCIATES

Practicing Company Secretaries
FRN: P2011GJ025800

MANOJ R. HURKAT

Partner

Date: 28th May, 2022
Place: Ahmedabad

FCS No.: 4287, COP No.: 2574
UDIN: F004287D000406777

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

ANNEXURE A

To

The Members

FRESHTROP FRUITS LIMITED

(CIN: L15400GJ1992PLC018365)

A-603, Shapath - IV, Opp. Karnavati Club,

S G Highway Ahmedabad – 380015

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

1. Maintenance of Secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts and cost records of the Company.
4. We have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, secretarial records and other factual position which cannot be otherwise verified etc. wherever required or necessary.
5. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of the same on test basis.
6. The Secretarial audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.
7. The Secretarial audit was conducted in accordance with Auditing Standards issued by the Institute of Company Secretaries of India and in a manner, which evolved such examinations and verifications as considered necessary and adequate for the said purpose

For MANOJ HURKAT & ASSOCIATES

Practicing Company Secretaries

FRN: P2011GJ025800

MANOJ R. HURKAT

Partner

Date: 28th May, 2022

Place: Ahmedabad

FCS No.: 4287, COP No.: 2574

UDIN: F004287D000406777

ANNEXURE TO THE DIRECTOR'S REPORT

MANAGEMENT DISCUSSION AND ANALYSIS

The discussion hereunder covers the financial results of Freshtrop Fruits Limited for the financial year 2021-22 and its business outlook for the future. Certain statements in the 'Management Discussion and Analysis Report' section may be forward looking and are stated as required by applicable laws and regulations. Many factors may affect the actual results, which could be different from what the Directors envisage in terms of the future performance and outlook.

→ GLOBAL MARKET

I. FRESH FRUITS

The novel coronavirus (COVID-19) disease has created unexpected imbalances of demand and supply of food products almost all over the world. This has been further compounded by the War in Ukraine. We are told that the demand for more expensive fruits like Cherries, Blue berries and exotic fruits and vegetables has dropped while the demand for comparatively cheaper fruits like Bananas, Melons and Apples has increased. Grapes continue to have a steady demand, but the sales have become price sensitive. The consumers are not willing to pay higher prices to fully compensate for higher costs and this will result in reduced margins for everyone in the supply chain.

II. FOOD PROCESSING

Food is an essential item and consists of a wide variety of products. Different kinds of foods are required all through the year to maintain a balanced diet, but the availability of these products is seasonal in nature and there is usually a long distance between the area of production and demand. Food processing is the one of the best ways to address these conditions and limitations. It is therefore always going to stay and grow. Changing and busy lifestyle, packaging innovation, safety, and convenience are the other major driving factors for the global processed food market. There is a high demand for high quality and nutritious food.

The rapidly growing global population and shrinking farmlands, coupled with changing socio-economic, agro-climatic and dietary patterns, have resulted in a huge demand for innovation in the Food processing Industry.

The Covid-19 Pandemic, war in Ukraine and an unprecedented increase in logistic costs have also created different dietary preferences and considering they are dynamic in nature it makes long-term planning a difficult proposition even for this Industry.

● INDIA SCENARIO

I. FRESH FRUIT

India, with a large and diverse agriculture, is among the world's leading producer of fruits and vegetables. Indian agriculture continues to be the backbone of our society and it provides livelihood to nearly 58% per cent of our population. Recent growth rates show that agri-food production is rising faster than growth in domestic demand, and volume of surplus for export is witnessing accelerated growth. This offers scope and opportunity for capturing overseas markets to earn foreign exchange and enable producers to earn higher prices for farm produce.

Various studies on fresh fruits and vegetables in India have indicated a loss percentage ranging from about 8% to 18% on account of poor post-harvest management, absence of cold chain and processing facilities but now with continuous innovation and efforts towards productivity, pre & post-harvest management, processing and value-addition, use of technology and infrastructure creation, India's role in global export of agricultural products is steadily increasing.

High Logistic costs and changes in the dietary preferences post Covid-19 have created a different kind of situation for Indian fresh produce exports. For grapes we are getting a little uncompetitive in Europe, but the far eastern markets with larger population are providing a good opportunity for Indian grapes. Bananas continue to have similar situation. Considering

all the factors that have created this dynamic situation are still not settled everyone in the supply chain is looking at short term management rather than any long-term prediction and planning.

PROCESSED FOOD:

Indian agriculture today is structurally different from what it was in the period 1970 to 1990. India's annual farm Gross Domestic Product (GDP) has expanded from about US\$25 billion to over US\$100 billion. From 2000 and 2014, the country's agricultural production has surged from US\$101 billion to about US\$367 billion, driven mainly by high-value segments such as horticulture, dairy, poultry and inland aqua-culture. No other country has a more diverse food and non-food agriculture base as India and this generates the optimism that India can be a leading player in the world agricultural.

India, a nation of 1.3 billion consumers with rising discretionary incomes, changing food patterns, vast farming area, diverse agriculture and a large population dependent on agriculture have propelled India to be viewed as a big consumer market and as a key supplier of food products resulting into a renewed focus on value addition and on processed agricultural products.

A strong and dynamic food processing sector plays a vital role in reduction in the wastage of perishable agricultural produce, enhances shelf life of food products, increases income of farmers, and creates surplus for the export of agro & processed foods.

The fruit and vegetable processing industry in India is likely to reach a value of INR 256.4 Bn in FY 2023.

INDUSTRY STRUCTURE AND DEVELOPMENT:**i. FRESH FRUITS:**

India's diverse climate ensures availability of all varieties of fresh fruits & vegetables. It ranks second in fruits and vegetables production in the world, after China. As per National Horticulture Database, during 2019-20, India produced 99.07 million metric tons of fruits and 191.77 million metric tons of vegetables. The area under cultivation of fruits stood at 6.66 million hectares while vegetables were cultivated on 10.35 million hectares, but the land holding in India by the growers is very small. The land laws do not permit corporates to buy land for agriculture in India. The infrastructure like roads, canals, electricity in rural area is still in the developing stage. Post-harvest management systems and cold stores are being built almost all over the country. Commodity exchanges and high-speed information systems are being put in place. We expect that the fresh fruit production and distribution is going through a sea change and will get organized very soon resulting in significant benefit to the growers.

As for exports India's share in the global market is still about 1% only, there is an increasing acceptance of horticulture produce from the country. This has occurred due to concurrent developments in the areas of state-of-the-art cold chain infrastructure and quality assurance measures. Capacity building initiatives at the farmers, processors and exporters' levels have also contributed towards this effort.

ii. FRUIT PROCESSING

Indian economy is growing at a rate faster than most other economies in the world. With a population of over 1.3billion, India has a very strong and growing domestic market.

Small land holding and lack of rural infrastructure result in lack of uniformity in quality & standardization of agricultural produce. India is unable to export its vast horticultural produce due to lack of uniformity and its inability to curtail losses across the value chain making Indian processed food uncompetitive in the international market.

Large domestic market results in most of the agricultural produce going for the fresh market leaving only the surplus and lower quality product for food processing. India has therefore remained at the lower end of the global Agri-export value chain given that majority of its exports are low value, raw or semi-processed and marketed in bulk.

→ OPPORTUNITY AND THREATS
a) OPPORTUNITY
FRESH & PROCESSED FOODS

Changing lifestyle, restriction on movements and increase in disposable income is resulting in consumers looking for healthier diet options. Fruits and Vegetable form an essential part of this requirement.

In developed countries consumers are looking for nutritious and organic products.

In developing countries fast urbanization is resulting in increased demand due to additional disposable income.

A renewed focus on value addition and on processed agricultural products. A rapidly growing global population and shrinking farmlands, coupled with changing socio-economic, agro-climatic and dietary patterns create a demand for fruits and vegetables to rise every year.

b) THREAT / CHALLENGE
I. FRESH FRUIT

Lack of awareness amongst Indian farmers regarding the judicious and timely use of chemicals has been a major impediment. To add to this, farmers may be using many pesticides which are not permitted or are increasingly being banned in other nations.

The unpredictability of the weather and lack of sufficient rural infrastructure result in inconsistent supply of acceptable quality of fruits for export.

Small land holdings of the farmers in India results in inconsistency of the quality of their produce. It also results in higher cost of production due to lack of mechanization of the cultivation process.

In the short term, Increased Sea freight costs and reduced Government incentives could make the export business uncompetitive resulting in reduced exports of Fresh produce.

FOOD PROCESSING

The key challenges identified for the food processing sector in India are inconsistency in availability and quality of raw materials for the food processing business which is mainly due to the following:

- I. Poor supply chain linkages:** India's agriculture market has a long and fragmented supply chain that results in high wastage and high costs, especially due to seasonality, perishability, and variability of produce.
- II. Lack of adequate infrastructure:** Though the Government has initiated various measures for the development of infrastructure facilities for the food processing industry, it is still not sufficient to meet the growing needs of the sector.
- III. Fresh Investments:** Despite various fiscal facilities provided by various authorities and creation of separate fund a few years ago, the sector has been facing a resource crunch. Though the foreign investment has picked up, it still doesn't match the requirements of the industry.

→ Lack of adequate skilled manpower: Difficulties in travel after the Corona Virus Pandemic have made it difficult to get skilled and experienced manpower for the processing sector.

→ SEGMENT WISE PERFORMANCE

The Company has identified following segments as reportable segment

1. Fresh Fruits
2. Food Processing

Details of segment wise performance are given at respective place in this report.

→ FUTURE OUTLOOK

In developing countries agriculture is the pillar of the economy. India is the largest producer of mangoes and banana and ranks among top ten countries in the world in the production of apple, papaya, citrus, grapes, Guava and pineapple. India enjoys a rich diversity of horticultural crops covering large groups of fruits and vegetables and almost 70 percent of its rural households still depend primarily on agriculture for their livelihood.

The future for India's fruit and vegetable business looks very bright as availability of fruits and vegetables increases, improvement in irrigation facilities, better warehousing and cold storage facilities would result in availability of better-quality fruits, resulting in an increase of business.

Food processing industry is one of the largest industries in India and is likely to grow further in the near future. The food processing industry accounts for about 32 percent of the country's total food market. As availability of raw materials, improvement in distribution facilities, appropriate fiscal policies and several fiscal initiatives taken by government will give a considerable push to the industry.

→ INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The company has adequate internal control systems commensurate with its size and operations to ensure orderly and efficient conduct of business while safeguarding the assets, quality, safety, procurements, finance and accounts and reducing and detecting error.

RISK & CONCERNS:

Risk Management is a critical exercise for all organizations, particularly with the agricultural sector which is uncontrollable as it depends on weather. However, the main aim of risk management is to identify and analyze the risks through a structured Risk-Benefit Analysis as and mitigate the risks wherever possible.

→ FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

The financial performance of the Company is described in the Director's Report under the head "Financial Result" and "Review of Operations".

Key Financial Ratios:

The key financial ratios for Financials are as per the below table:

Particular	Changes	2020-21	2021-22
Sales Volume (Lakhs)			
Domestic		1,099.60	1,798.09
Exports		13,207.29	15,612.02

S.N.	Particular	Changes	2020-21	2021-22
1	Total Revenue (Amount in Lakhs)		15,043.33	17,868.81
2	EBITDA (Amount in Lakhs)		1,905.35	1,577.56
3	PBT (Amount in Lakhs)		1300.95	1,032.06
4	PAT (Amount in Lakhs)		948.56	735.62
5	Net Worth (Amount in Lakhs)		7,876.12	7,447.16
6	ROE % (Net Profit after tax / Average Shareholder's Equity)		12.64	9.09
7	Working Capital Ratio (Current Assets / Current Liabilities)	Times	1.39	1.53
8	Fixed Assets Turnover Ratio (Net Sales / Average Fixed Assets)	Times	1.51	1.76

S.N.	Particular	Changes	2020-21	2021-22
9	Debt Service Coverage Ratio (Earning available for debt service / Debt Service)	Times	2.72	2.43
10	Inventory Turnover Ratio (Sales / Average Inventory)	Times	3.09	3.14
11	Debtors Turnover Ratio (Credit Sales / Average Account Receivable)	Times	4.48	5.21
12	Interest Coverage Ratio (EBITDA / Interest expenses)	Times	24.72	25.83

Reasons for significant changes:

The increase in Total revenue is mainly due to a very large increase in sea freight from India to Europe. In addition, there was an increase in the transit time and delays in shipments between these destinations. This resulted in a mismatch between deliveries and programs affecting the final realizations for our exports. This was followed by a war between Russia and Ukraine which started in the last week of February, which was right in the middle of our grapes export season. The war resulted in USA announcing sanctions against Russia blocking financial transactions between Russia and the rest of the world. The European currencies both the Euro and the Great Britain Pound depreciated even against the Indian Rupee by over 10%. As if this was not enough. The Indian government has put on hold the transport assistance with effect from 1st April 2021 and the export Incentive which was being given as MEIS @ 5% of FOB value was replaced by RoDTEP which is 3% with a cap of Rs. 3 per Kg.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES AND INDUSTRIAL RELATION FRONT:

The Company routinely undertakes employee development activities keeping in mind the professional requirement of the employee as well as the growth of the company.

The Company has embarked on the path to formalize its CSR commitments and is perhaps the only company in India in the fresh produce export sector to move in this direction. This is not only going to result in the better integration within the supply chain but also offer a significant competitive edge in marketing our products in the developed markets across the world.

The industrial relations were cordial throughout the year with no incidence of strike or lockouts.

CAUTIONARY NOTE:

Statement in the management discussion and analysis describing the Company's objectives, projections, estimates, expectations and other may constitute "forward - looking statements" within the meaning of applicable securities laws and regulations. Actual results may differ from those expressed or implied. Several factors that could significantly impact the company's operations include economic conditions affecting demand, supply and price conditions in the domestic and overseas markets, changes in the government regulations, tax laws and other statutes, climatic conditions and such incidental factors over which the Company does not have any direct control.

The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

Reference: Ministry of agricultural government of India, Agricultural and processed food products export development (APEDA), Media report, journals and press release: informatics journal, Business wire news journal, The Federation of Indian Chambers of Commerce and Industry (FICCI), National Horticulture Database.

ANNEXURE II

ANNEXURE TO THE DIRECTOR'S REPORT CORPORATE GOVERNANCE REPORT

The Security and exchange board of India (SEBI) has stipulated Corporate Governance standards for Listed Companies vide Regulation 17 to 27 and 46 of SEBI (Listing obligations and Disclosure Requirement) Regulations, 2015 with the stock exchange.

Corporate Governance is corporate discipline, extended, transparency, integrity and accountability toward all stakeholders. Corporate Governance help to achieve excellence to enhance stakeholders' value by focusing on long term value creation by timely disclosed the information's.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy on Corporate Governance envisages attainment of highest level of transparency, integrity, fairness and accountability in all faces of its functioning and its interactions with shareholders, employees, government, regulatory bodies and community at large. We believe that Corporate Governance is a journey for constantly improving sustainable value creation and through the Governance policy and mechanism in the Company and hence your Company gives equal importance for maintain and improve the quality of its products by carried out continues product development and stringent quality control norms as per international standard.

At Freshtrop Fruits, we are committed to doing things the right way which means taking business decisions and acting in a way that is ethical and is in compliance with applicable legislation.

The Company has established systems, policies and actions which are fully compliant with the requirements stipulated by the Security and Exchange board of India from time to time under the SEBI (Listing Obligations and Disclosure Requirements) regulations 2015. Your company's systems and policies designed to further the objectives of Good Corporate Governance of the Company.

2. BOARD OF DIRECTORS:

a) Composition

The board of directors of your company is a balanced Board, comprising Executive and Non-Executive Directors with half of the Board of the Company comprising Independent Directors. At the end of the year the Board consists of six directors comprising of one executive Chairman and Managing Director, one Executive Whole-Time Director, one Non-Executive and Non-Independent Director and three Non-Executive Independent Directors. The appointment of three non-executive Independent Directors is in conformity with the provisions of Section 149 of the Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and none of the Director of the Company is on the Board of more than 7 listed companies as an Independent Director.

Further, the Independent Directors have affirmed that they satisfy the criteria laid down under section 149(6) of the Companies Act, 2013 (Act) and Regulation 25 and other applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 SEBI (LODR), as amended from time to time.

The board of directors provides leadership and guidance to the Company's management and directs, supervises and controls the performance of the Company. Non-executive and independent director consist of professionals drawn from diverse fields that bring wide range of skill and experience to the board.

b) Board Meeting

The board generally meets once in each quarter and the gap between any two board meetings was not more than 120 days. During the year under review board met eight times on 14th April 2021, 29th June 2021, 2nd July 2021, 13th August 2021, 12th November 2021, 30th November 2021, 1st February 2022 and 14th February 2022.

Agenda papers containing the necessary information/ documents are made available to the board to discharge its responsibility effectively and take effective decisions. The information as specified in Regulation 17(7) of the SEBI (LODR) Regulation 2015 is regularly made available

to the board. The Stock Exchanges were informed about the outcome of the Board Meeting as soon as the meeting concludes.

The meetings of the Board and its various Committees are held at the Registered Office of the Company at Ahmedabad.

Details of the composition of the Board, the Board meetings held during the year, attendance of Directors at Board meetings and other related matters are as under:

Name of Directors	Designation	Total no. of board meeting during the year	No. of Board Meeting attended	Attendance at the last AGM
Mr. Ashok V Motiani	Chairman and Managing Director	8	8	YES
Mrs. Nanita A Motiani	Whole Time Director	8	8	YES
Mr. Mayur J Shah	Non-Executive / Independent Director	8	8	YES
Mr. Anil Sharma	Non-Executive / Independent Director	8	8	YES
Mr. Ramchandra Joshi	Non-Executive / Non-Independent Director	8	8	YES
Mr. Ashok Murajani	Non-Executive / Independent Director	8	7	YES

c) The Composition of the board of directors and Committee membership(s) in other Companies:

In terms of the provisions of Section 165 & 184 of the Act and Regulation 17A and 26 of the SEBI Listing Regulations, the Directors provided necessary disclosures regarding the position held by them on the board and / or committees of other public and/ or private companies, for time to time.

The details of each of the director along with the number of Directorship / Committee membership and their shareholding in the Companies as on March 31, 2022 are provide herein below.

Sr.	Name	Category	No. of Directorships / Committee Memberships / Chairmanships (Including Freshtrop Fruits Limited)				
			Directorships under Section 165			Committees	
			Public Companies		Private Companies	Chairperson	Members
			Listed	Unlisted			
1	Mr. Ashok Motiani	Chairman and Managing Director	1	-	-	-	-
2	Mrs. Nanita Motiani	Whole Time Director	1	-	1	1	1
3	Mr. Mayur Shah	Non-Executive / Independent Director	1	-	-	2	1
4	Mr. Anil Sharma	Non-Executive / Independent Director	1	-	1	-	2
5	Mr. Ramchandra Joshi	Non-Executive / Non-Independent Director	1	-	-	-	-
6.	Mr. Ashok Murajani	Non-Executive / Independent Director	1	-	-	-	1

Membership and Chairmanship in Audit Committee and Stakeholder Relationship Committee of all public limited companies, whether listed or not, including FreshTrop Fruits Limited

Except Mr. Mayur Shah and Mr. Ashok Marajani no other Non-Executive Director or their relatives hold any shares in the Company. Mr. Mayur Shah holds 5,625 shares and Mr. Ashok Marajani holds 1800 shares of the Company as on March 31, 2022.

d) Disclosure of Relationship Between Directors Inter-Se

None of the Directors are related inter se except Mr. Ashok V Motiani and Mrs. Nanita A. Motiani being Husband and Wife.

e) Skills / Expertise / Competencies of Directors

As per the amended regulations of SEBI (LODR) Regulations, 2015, the Board is required to review the core skills / expertise / competencies identified by the Board as required in the context of its business & sectors to function effectively. The Board of Directors have identified the below mentioned skills / expertise / competencies in the context of the business and the sector in which the Company is operating, for the Company to function effectively.

Name of the Director	Qualification	Expertise in Specific Functional Areas
Mr. Ashok Motiani	B. Tech (IIT Mumbai)	Fresh Fruit business including processing thereof, Finance, Strategy, Marketing, Corporate Governance and Legal matters.
Mrs. Nanita Motiani	Master of Science	Human Resources, General administration, Insurance, compliances
Mr. Anil Sharma	Food Technologist	He is a lifetime member of Association of food scientist and technologist, CFTRI, Mysore and executive member of all India Food Preserver association. He is having vast Experience with a fruit Juice concentrate manufacturing, dehydration, canning and bottling blending and aseptic packing of beverages.
Mr. Mayur Shah	Commerce Graduate	Expertise in the field of public relation, legal, capital markets and financing.
Mr. Ramchandra Joshi	Commerce Graduate, LLB	Vast Experience in public relation, legal and administration matters
Mr. Ashok Murajani	S.S.C	Expertise in the field of Procurement, Trading, Supply and Accounts.

f) Code of Conduct

In Compliance with Part-D under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; the Board has adopted the code of conduct for the Board of Directors and senior management personnel of the Company. This code of conduct is comprehensive code which is applicable to all Directors and senior management personnel. A copy of the same has been put on the Company's website www.freshtrop.com.

A declaration signed by the chairman and Managing director to this effect is attached at the end of this report. The board has also adopted separate code of conduct with respect to duties of independent directors as per the provision of the Companies Act 2013.

g) Separate meeting of Independent Director

Pursuant to Schedule IV of the Companies Act, 2013 and the Rules made thereunder and Regulation 25 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the Independent Directors of the Company met once during a year, without the attendance of Non-Independent Directors and Members of the Management. The Independent Directors reviewed performance of Non-Independent Directors, Chairman of the Company and the performance of the Board as a whole. The Independent Directors also matter pertaining to the company affairs and put forth their views to lead independent director.

h) **Disclosure regarding appointment / re-appointment**

Mr. Ramchandra Gaurishankar Joshi, Director is retiring at the ensuing Annual General meeting and being eligible, has offered himself for reappointment. Moreover, Mr. Ashok Muajani, who was appointed as Additional Director at the Board Meeting held on 29th June, 2021 and his appointment was regularized by the members of the company in 29th Annual General Meeting dated 28th September 2021 by passing ordinary resolution for the period of 5 years w.e.f. 29th June, 2021.

3. **COMMITTEES OF THE BOARD**

The board of director currently has following committees to look into statutory matters of the company:

1. Audit committee
2. Nomination and Remuneration committee
3. Stakeholder's Relationship Committee
4. Corporate social Responsibility Committee

The Board Committees play a vital role in ensuring sound Corporate Governance Practices. The Committees are constituted to handle specific activities and ensure speedy resolution of the diverse matters. The Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their actions. The Minutes of the Committees are placed before the Board for its review.

➤ **AUDIT COMMITTEE:**

The Audit Committee constituted in accordance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The Audit Committee comprises of three members and all of them are Independent Directors. The Chairman of the Audit Committee is an Independent Director.

During the year under review, the audit committee met 5 times on 14.04.2021, 29.06.2021, 13.08.2021, 12.11.2021 and 14.02.2022. The intervening gap between two meetings didn't exceed 4 months.

The details of the members along with the attendance of the members of the committee at the meetings are as under:

Name	Category	No. Of Meeting Held	No. of Meeting attended
Mr. Mayur Shah	Independent Director	5	5
Mr. Anil Sharma	Independent Director	5	5
Mrs. Nanita Motiani	Whole-Time Director	5	1
Mr. Ashok Murajani	Independent Director	5	4

The Chairman of the Audit Committee was present at the last Annual General Meeting held on 28th September 2021 to respond shareholders queries.

Brief Description of terms of reference of the Audit Committee:

The terms of reference and role of the audit committee as decided by the Board of Directors are in accordance with provisions of Section 177 of the Companies Act, 2013 and SEBI Regulations as under:

- a) Oversight of the company's financial reporting process and the disclosure of its financial
- b) information to ensure that the financial statements are correct, sufficient and credible; Recommendation for appointment, remuneration and terms of appointment of auditors of the company;

- c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- d) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required being included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report
- e) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- f) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- g) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- h) Approval or any subsequent modification of transactions of the company with related parties;
- i) Scrutiny of inter-corporate loans and investments;
- j) Valuation of undertakings or assets of the company, wherever it is necessary;
- k) Evaluation of internal financial controls and risk management systems;
- l) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- m) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- n) Discussion with internal auditors of any significant findings and follow up there on;
- o) 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;
- p) Discussion 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;
- q) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- r) To review the functioning of the Whistle Blower Mechanism (Vigil Mechanism);
- s) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

- t) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- u) A statement of all transactions with related parties, including their basis shall be placed before the Audit Committee for formal approval / ratification with explanations where there are interested transactions.
- v) Details of material individual transactions with related parties which are not in the normal course of business shall be placed before the audit committee.
- w) Details of material individual transactions with related parties or others, which are not an arm's length basis should be placed before the Audit Committee, together with Manager's justification for the same.

➤ **NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee comprises of 3 members and all are Independent Directors. Accordingly, the Company has complied with the requirements of Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to composition of Nomination and Remuneration Committee.

During the year under review, the Nomination and Remuneration committee met one times on 29.06.2021.

The details of the members along with the attendance of the members of the committee at the meetings are as under:

Name	Category	No. of Meeting Held	No. of Meeting attended
Mr. Mayur Shah	Independent Director	1	1
Mr. Anil Sharma	Independent Director	1	1
Mr. Ashok Murajani	Independent Director	1	1

The power role and terms of reference of committee covers the area as contempt under the SEBI listing regulations and section 178 of the Companies Act 2013.

The brief terms of reference of Nomination & Remuneration committee are as under:

- a) To formulate criteria for determining qualification, positive attributes & Independence of director and recommend boarding a policy relating to remuneration for the Directors, KMP and other employees.
- b) To formulate criteria for evaluation of performance of Independent Directors and Board;
- c) To devise a policy on diversity of Board of Directors;
- d) To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal;
- e) 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;
- f) To perform any other functions as may be assigned to Committee by the Board from time to time.

Performance evaluation

The Board has prepared performance evaluation policy for evaluating performance of Individual Directors including Chairman of the Company, Board as a whole and its Committees, thereof. The criteria of the Board evaluation include Board composition, talents, experience and knowledge, and discussions at the Board Meeting, frequency of the Board Meeting, feedback and suggestion given to the management, participation in the discussion etc. The performance of Non-Independent Directors and the Board as a whole, after taking views of the Executive and Non-Executive Directors were evaluated by the Independent Directors at its Meeting held on June 29, 2021 and also by the Board at its meeting.

Director remuneration

Remuneration paid or payable to Chairman and Whole-time director the FY 2021-22 is as under:

Name	Remuneration (Including Perquisites)
Mr. Ashok Motiani	1,63,15,607
Mrs. Nanita Motiani	58,00,000

There was no other pecuniary relationship or transaction of Non - Executive Directors via a vis The Company.

Sitting Fees and Commission on net profit paid or payable to Non-Executive Directors for the Financial Year 2021-22 is as under:

Name	Sitting Fees
Mr. Mayur Shah	40,000
Mr. Anil Sharma	40,000
Mr. Ramchandra Joshi	40,000
Mr. Ashok Murajani	40,000

Details of shares of the company held by directors as on March 31, 2022 are as under:

Name	No. of Share held
Mr. Ashok Motiani	15,46,398
Mrs. Nanita Motiani	8,55,442
Mr. Mayur Shah	5,625
Mr. Anil Sharma	Nil
Mr. Ramchandra Joshi	Nil
Mr. Ashok Murajani	1800

➤ **STAKEHOLDERS RELATIONSHIP COMMITTEE**

In terms of the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted Stakeholders' Relationship Committee to look into the mechanism of redressal of grievances of shareholders and investors of the Company. The Stakeholders' Relationship Committee has three members comprising of two non-executive directors and one executive director.

During the year under review, the Stakeholders relationship committee met one times on 29.06.2021.

The details of the members along with the attendance of the members of the committee at the meetings are as under:

Name	Category	No. of Meeting Held	No. of Meeting attended
Mr. Mayur Shah, Chairman	Independent Director	1	1
Mr. Anil Sharma	Independent Director	1	1
Mrs. Nanita Motiani	Independent Director	1	1

The brief terms of reference of Stakeholders Relationship Committee are as under:

- a) To look into the redressal of shareholders and investor complaints like transfer of shares,

non-receipts of annual report, non-receipts of declared dividend, revalidation of dividend warrant or refund order etc.

- b) To consider and resolve the grievance of security holders of the company.

Opening Balance	During the year		At the end
	Received	Resolved	
Nil	0	0	Nil

➤ **CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:**

Pursuant to Section 135 of the Companies Act, 2013, the Company has constituted Corporate Social Responsibility Committee, inter alia, to formulate Corporate Social Responsibility (CSR) Policy, to recommend the amount of expenditure to be incurred on social activities and to monitor the CSR Policy.

During the year under review, the committee met one times on 29.06.2021.

The composition of the Committee as well as the particulars of attendance at the Committee meetings during the year and other related details is given in the table below:

Name	Category	No. of Meeting Held	No. of Meeting attended
Mrs. Nanita Motiani, Chairman	Whole time Director	1	1
Mr. Mayur Shah	Independent Director	1	1
Mr. Anil Sharma	Independent Director	1	1

Terms of reference

- To formulate and recommended to the board, a corporate social responsibility policy which shall indicate the activities to be undertaking by the company as specified in schedule VII of the companies act 2013 and the rules made their under.
- To recommend the amount of expenditure to be incurred on the CSR activates
- To monitor the implementation of framework of CSR Policy.
- To carry out any other function as mandated by the board from time to time and/or enforced by any statutory notification, amendment or modifications, as may be applicable or as may be necessary or appropriate for performance of its duties.

CSR Policy

The policy on CSR is available on the website of the company at www.freshtrop.com under the investor segment.

4. GENERAL BODY MEETINGS

Annual general meeting

Details of the AGM held during last three years are as under

Financial Year	Date and time	Venue	No. of Special resolution passed
2018-19	26.09.2019 (10.00 A.M.)	Rajpath Club, S.G. Road, Ahmedabad - 380015	6
2019-20	23.09.2020 (12.30 P.M.)	Through Video Conferencing	1
2020-21	28.09.2021 (4.00 P.M.)	Through Video Conferencing	2

No extra ordinary general meeting was held during the financial year 2021-22.

No special resolution was passed through postal ballot during the financial year 2021-22.

5. MEANS OF COMMUNICATION WITH SHAREHOLDERS

During the year, audited quarterly and audited annual financial results on standalone basis and un-audited quarterly and audited annual financial results of the Company were submitted to the stock exchanges soon after the Board meeting approved these and were published in leading newspapers viz The Business Standard in all editions of English language and Jai-hind in Gujarati language. These were also promptly put on the Company's website www.freshtrop.com. The Company sends soft copies of Annual Report to those shareholders who's E-mail IDs are registered with the Depository Participants and / or with the Company's Registrars and Transfer Agents, unless opted by them to get the physical copy, to support the "Green Initiative in Corporate Governance", of the Ministry of Corporate Affairs.

6. GENERAL SHAREHOLDER INFORMATION**a) Company Registration and office details**

1	CIN	L15400GJ1992PLC018365
2	Registered Office	A-603, Shapath IV, Opp. Karnavati Club, S.G. Road, Ahemdabad - 380015
3	Listing Stock Exchange	Bombay Stock Exchange Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal street, Mumbai - 400001
4	Stock Code	BSE Script Code: 530077
5	Type of Security and No. of paid up shares	Equity Shares, 1,06,87,996 equity shares of Rs. 10/- each fully paid
6	Registrar & Share transfer agent	BIGSHARE SERVICES PVT. LTD. Office No S6-2, 6 th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai – 400093 Email: investor@bigshareonline.com , Contact: 022 – 62638200 Website: www.bigshareonline.com

b) Date, Day, time and venue of the 30th Annual general meeting:

Monday, 26th September 2022 at 4.00 PM

The Company is conducting Annual General Meeting through Video Conference / Other Audio-Visual Means pursuant to the MCA Circular dated 5th May 2020 and the Registered office of the Company shall be deemed to be the venue for the AGM.

c) Book closure date

The register of Member and share transfer books of the company will be closed from Monday, September 19, 2022 to Monday, September 26, 2022, both days inclusive.

d) Financial year:

Financial year is from 1st April to 31st March of every year and financial result will be declared as per following schedule.

e) Tentative Financial Calendar for the year 2021-22.

Quarterly Result	Tentative Schedule
Quarter ending June 30, 2021	On or before August 14, 2021
Quarter ending September 30, 2021	On or before November 14, 2021
Quarter ending December 31, 2021	On or before February 14, 2022
Annual Financial Result of 2021-22	Within 60 days from March 31, 2022

f) Dividend

There is no dividend declared during the year.

g) **Confirmation of payment of Listing Fees:**

The annual listing fees for the year 2021-22, to the stock exchange where the securities of the Company are listed, has been paid within prescribed time limit.

h) **Unclaimed dividends to be transferred to Investor Education and Protection Fund**

Sr.No.	Financial Year	Date of Declaration	Due for transfer on
2.	2014-15	18-09-2015	03-11-2022
3.	2015-16	21-09-2016	05-11-2023

Members who have not encashed their dividends warrants or those who have not received the dividend warrants so far, are requested to seek issuance for duplicate dividend warrant. Otherwise, all above said dividend to be transferred to investor education and protection fund on above said due dates.

i) **Market Price Data:**

The monthly high / low and the volume of the Company's shares trades at BSE Limited and the monthly high/low of the said exchange are as under:

Month	BSE Sensex		Bombay Stock Exchange	
	High	Low	High (Rs.)	Low (Rs.)
Apr – 2021	50,375.77	47,204.50	82.70	76.00
May – 2021	52,013.22	48,028.07	92.90	77.50
June – 2021	53,126.73	51,450.58	119.30	79.00
July – 2021	53,290.81	51,802.73	150.80	106.05
Aug – 2021	57,625.26	52,804.08	149.00	102.05
Sep – 2021	60,412.32	57,263.90	123.80	105.00
Oct – 2021	62,245.43	58,551.14	114.25	91.20
Nov – 2021	61,036.56	56,382.93	98.00	84.60
Dec – 2021	59,203.37	55,132.68	122.75	87.10
Jan – 2022	61,475.15	56,409.63	131.00	101.10
Feb – 2022	59,618.51	54,383.20	118.00	95.00
Mar - 2022	58,890.92	52,260.82	115.00	96.05

j) **Distribution of Shareholding as on March 31, 2022**

No. of Shares	Shareholders		Shares	
	Nos.	% of Total	Nos.	% of Total
1-500	5,670	86.1048	6,89,568	6.4518
501-1000	420	6.3781	3,34,977	3.1341
1001-2000	216	3.2802	3,36,694	3.1502
2001-3000	73	1.1086	1,84,631	1.7275
3001-4000	28	0.4252	1,00,282	0.9383
4001-5000	38	0.5771	1,81,379	1.697
5001-10000	60	0.9112	4,38,085	4.0989
10001 - Above	80	1.2149	84,22,380	78.8022
Total	6,585	100.00	1,06,87,996	100.00

k) **Shareholding pattern as on March 31, 2022**

Category	No. of Shareholders	Total No of Shares Held	% of Capital
Promoters	6	62,55,333	58.527
Public	6,272	35,93,733	33.629
Foreign Portfolio Investor	1	18,373	0.172
IEPF	1	2,23,478	2.091
Non - Resident Individual	120	3,62,780	3.394
Bodies Corporate	48	2,24,678	2.102
Corporate body - NBFC	1	600	0.001
Clearing Member	11	9,021	0.084
Total	6,460	1,06,87,996	100.00

l) **Detail of credit ratings obtained by the entity**

As instructed by the bank, the Company don't require credit ratings. Hence the company has withdrawn previous credit rating obtain from Crisil and hence the Company has not obtained any credit rating during the year.

m) **Dematerialization of Shares and Liquidity:**

Trading in the Company's shares is permitted only in dematerialization form for all investors. The Company has established connectivity with CDSL and NSDL through the Registrar, M/s Bigshare Services Private Limited, Mumbai, whereby the investors have the option to dematerialize their shares with either of the depositories. As on 31st March 2022, 98.45% of the paid-up share capital has been dematerialized.

n) **Address for Correspondence:**

Shareholders correspondence should be addressed to the company's registrar and share transfer agent at the address mention above.

Shareholder may also contact the compliance officer, Freshtrop Fruits Limited, A-603, Shapath -IV, Opp. Karnavati Club, S.G. Road, Ahmedabad - 380015.

Phone: 079 - 40307050-57

Email: secretarial@freshtrop.com

Shareholders holding shares in the electronic mode should address all their correspondence to their respective depository participates

o) **Plant locations:**

Plant I : Gat No. 171, Village Jaulke, Mumbai Agra Road, Tal: Dindori, Dist. Nasik - 422207.

Plant II : Survey No. 1366, Savlej - Wayfale Road, Post: Siddhewadi,
Tal: Tasgaon, Dist: Sangli - 416311.

Plant IV : Gat No. 598/1, Village Janori, Tal: Dindori, Dist: Nasik - 422206.

7. OTHER DISCLOSURESa) **Disclosures on Materially Significant Related Party Transactions**

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year were in the ordinary course of business and on an arm's length basis. There were no materially significant transactions with Related Parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required

by the Indian Accounting Standards (Ind AS) has been made in the notes of the Financial Statements.

The Company has no material significant transactions with its related parties that may have a potential conflict with the interest of the Company during the Financial Year 2021-22. The details of transaction between the Company and the related parties are given for information in the Notes to Accounts to the Balance Sheet as at 31st March 2022.

b) Compliance with mandatory and non-mandatory requirements:

The Company has complied with the applicable mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 except one day delay in reporting financial result for the quarter ended on December 2021. The Company has adopted following non-mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

c) Subsidiary Companies

The Company does not have any subsidiary.

d) Whistle Blower Policy

The company has adopted a whistle blower policy and has established the necessary vigil mechanism for the employees and directors to report consents about unethical behavior. No person has been denied access to the chairman of the audit committee. The said policy is hosted on the website of the company at <https://www.freshtrop.com/policies.php>. During the year under review there was no case of whistle blower.

e) Details of total fees paid to statutory auditors

During the financial year 2021-22, FP & Associates, the Statutory Auditors of the Company were paid fees for audit and providing other services as per below details:

Name of the Company	Fees Paid		Total
	For Statutory Audit	For Providing Other Services	
Freshtrop Fruits Limited	10,00,000	3,00,000	13,00,000

f) Prevention of Sexual Harassment Policy

The Company has in place a policy to look after the matters of Sexual Harassment in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The details of complaints related to sexual harassment are provided below:

Sr. No.	Particulars	No. of Complaints
1	Number of complaints filed during the financial year 2021-22	Nil
2	Number of complaints disposed of during the financial year 2021-22	Nil
3	Number of complaints pending as on end of the financial year 2021-22	Nil

The Company has complied with all requirements and provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

DISCLOSURE:

- There was no transaction of material nature between the company and its directors or management and their relatives or promoters that may have potential conflict with the interest of the company. The details of the related party transactions are disclosed in the financial section of this Annual Report
- In the preparation of the financial statements, the company has followed the accounting policies and practices as prescribed in the accounting standards.

- c) Management Discussion and Analysis report is set out in a separate section included in this annual report and forms part of this report.
- d) The Company has complied with all the mandatory requirements of the Listing Regulations as well as guidelines of the SEBI except one day delay in submission of financial result for the quarter ended December 2021 and for the same BSE has imposed a fine amounting to Rs. 5900/-. Further, no penalties strictures were imposed on the company by Stock Exchange or SEBI or any stator authority, on any matter related to capital market, during the year under review.
- e) No treatment different from accounting standards, prescribed by the Institute of Chartered Accountants of India, has been followed in the preparation of the financial statements.
- f) A Certificate has been obtaining from M/s. Manoj Hurkat & Associate, Practicing Company Secretary that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as a director of Companies by the Security and Exchange Board of India/ Ministry of Corporate Affairs or by any other statutory Authority.
- g) There were no instances of rising of fund through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the Listing Regulation.
- h) In terms of the amendments made to the Listing Regulations, the Board of Directors confirms that during the year, it has accepted all recommendations received from its mandatory committees

DECLARATION BY THE MANAGING DIRECTOR

I, Ashok Motiani, Chairman and Managing Director of the Freshtrop Fruits Limited, hereby declare that all members of the board of directors and the senior members personnel have affirmed compliance with the code of Conduct, applicable to them as laid down by the Board of Directors in terms of Regulations 26(3) of SEBI (LODR) Regulations, 2015.

Date: 28th May 2022

Registered Office

A-603, Shapath IV,
Opp. Karnavati Club, S. G. Road,
Ahmedabad – 380 015

By order of the Board
For Freshtrop Fruits Limited

Ashok Motiani

Chairman & Managing Director
(DIN: 00124470)

CERTIFICATION BY
MANAGING DIRECTOR AND CHIEF FINICAL OFFICER COMPLIANCE CERTIFICATE

We, Ashok Motiani, Managing Director and Sanjay Prajapati, Chief Financial Officer of Freshrop Fruits Limited, to the best of our knowledge and believes certify that:

We have reviewed financial statements and the cash flow statement for the year ended March 31, 2022 and that to the best of their knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
2. These statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. To the best of their knowledge and belief, no transactions entered into by the listed entity during the years which are fraudulent, illegal or violative of the listed entity's code of conduct.
4. We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and they have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
5. We further certify that we have indicated to the auditors and the Audit committee:
 - a) There have been no significant changes in internal control over financial reporting during the year;
 - b) There have been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - c) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Date : 28th May 2022
Place : Ahmedabad

Ashok Motiani
Managing Director

Sanjay Prajapati
Chief Financial Officer

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,
The Members
FRESHTROP FRUITS LIMITED
(CIN: L15400GJ1992PLC018365)
A-603, Shapath IV, Opp. Karnavati Club,
S G Highway, Ahmedabad – 380015

We have examined all relevant records of **FRESHTROP FRUITS LIMITED** ("Company") for the purpose of certifying compliance of the conditions of Corporate Governance as prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") for the financial year ended on 31st March 2022. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedure and implementation thereof.

On the basis of our examination of the records produced, explanations and information furnished, we certify that the Company has complied with all the mandatory conditions of the Corporate Governance, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46 (2) and Paragraphs C, D and E of Schedule V of the Listing Regulations during the year ended 31st March 2022.

This certificate 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.

For MANOJ HURKAT & ASSOCIATES
Practicing Company Secretaries
FRN: P2011GJ025800

MANOJ R. HURKAT
Partner

Date : 28th May 2022
Place : Ahmedabad

FCS No.: 4287, COP No.: 2574
UDIN: F004287D000406898

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) read with Clause 10(i) of Part C of Schedule V of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members
FRESHTROP FRUITS LIMITED
(CIN: L15400GJ1992PLC018365)
A-603, Shapath IV, Opp. Karnavati Club,
S G Highway, Ahmedabad – 380015

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of FRESHTROP FRUITS LIMITED ("Company") produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Clause 10(i) of Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations.")

In our opinion and to the best of our information and according to the verifications (including Director Identification Number [DIN] status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ended on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India/Ministry of Corporate Affairs or such other statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in the Company
01	Ashok Vishindas Motiani	00124470	30/09/1992
02	Nanita Ashok Motiani	00787809	19/01/1997
03	Mayur Iashvantlal Shah	00124633	12/07/2003
04	Anil Sharma	06688634	13/08/2013
05	Ramchandra Gaurishankar Joshi	00231568	01/04/2020
06	Ashok Chandumal Murajani	09217026	29/06/2021
07	Dinesh Oza, (Upto 01/05/2021)	01307881	14/11/2011

Ensuring the eligibility 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 the same 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

For MANOJ HURKAT & ASSOCIATES
Practicing Company Secretaries
FRN: P2011GJ025800

MANOJ R. HURKAT
Partner

Date : 28th May 2022
Place : Ahmedabad

FCS No.: 4287, COP No.: 2574
UDIN: F004287D000406876

INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS OF
FRESHTROP FRUITS LIMITED**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Freshtrop Fruits Limited ("the Company") which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and notes to the financial statements, including 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 March 31, 2022, its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matter described below to be the key audit matter to be communicated in our report.

Sr. No.	Key audit matters	How our audit addressed the key audit matter
1	Revenue recognition (Refer notes 2.13 and 24 to the Standalone Financial Statements) Revenue is one of the key profit drivers and is therefore susceptible to misstatement. Cut-off is the key assertion in so far as revenue recognition is concerned, since an inappropriate cut-off can result in material misstatement of results for the year.	Our audit procedures with regard to Revenue recognition included testing controls, automated and manual, around dispatches/deliveries, inventory reconciliations and circularization of receivable balances, substantive testing for cut-offs and analytical review procedures.

Information Other than the Standalone 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 Annual Report, but does not include the standalone

financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

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.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

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, changes in equity and cash flows of the Company in accordance with the Ind As and other accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 (the "Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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, and the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e. On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and



FRESHTROP FRUITS LIMITED

operating effectiveness of the Company's Internal Financial Controls over financial reporting.

- g. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

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 read with Schedule V of the Act.

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

- i. The Company has no pending litigations as on 31st March, 2022 in its standalone financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education & Protection Fund by the Company.
- iv.
 - (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 46 (vii) to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 46 (viii) to the accounts, no funds have been received by the Company From any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identifies in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (c) Based on the audit procedure that has been considered reasonable and appropriate In the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above, contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year.

For F P & Associates
Chartered Accountants
Firm Registration No: 143262W

Place : Ahmedabad
Date : May 28, 2022
UDIN : 22133589AJTZGN1057

F. S. SHAH
Partner
Membership No.: 133589

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

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

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i.
 - a)
 - (A) The Company has maintained proper records showing full particulars including quantitative details and situation of its Property, Plant and Equipment and relevant details of right-of-use assets ;
 - (B) The Company has maintained proper records showing full particulars of Intangible Assets.
 - b) The Property, Plant and Equipment were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the Property, Plant and Equipment at reasonable intervals having regard to the size of the company, nature and value of its assets. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - c) The title deeds of all the immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
 - d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) or intangible assets during the year.
 - e) No Proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder. Hence reporting under Clause (i)(e) of paragraph 3 of the Order is not applicable.
- ii.
 - a) The physical verification of inventory has been conducted at reasonable intervals by the management during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate; There has been no discrepancies of 10% or more in the aggregate for each class of inventory were noticed during the year.
 - b) On the basis of our examination of the records of the company, the Company has been sanctioned/renewed working capital limits in excess of five crore rupees, in aggregate from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.
- iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties during the year. The Company has made investments in companies and alternative investment schemes, granted interest free unsecured loans to its employees during the year, in respect of which the requisite information is as below. The Company has not made any investments in or granted any loans, secured or unsecured, to firms and limited liability partnership.
 - (a)
 - (A) The Company does not have any subsidiaries, joint ventures or associates.
 - (B) Based on the audit procedures carried on by us, and as per the information and explanation given to us, the Company has granted interest free loans to its employees as below:

Particulars	Loans Rs. (in Lakhs)
Aggregate amount granted/ provided during the year-Others	11.90
Balance outstanding as at balance sheet in respect of the above cases-Others	11.73

The Company has not provided any guarantee or security to companies, firms, limited liability partnerships or other parties.

- (b) Based on the audit procedures conducted by us, in our opinion the investments made and the terms and conditions of the grant of unsecured loans are prima facie, not prejudicial to the interest of the Company.
 - (c) On the basis of our examination of the records of the Company, in the case of unsecured loans given to its employees, in our opinion the repayment of principal has been stipulated and the repayments have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.
 - (d) On the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given to its employees. Further, the Company has not given any advances in the nature of loans to any party during the year.
 - (e) On the basis of our examination of the records of the Company, there is no loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties. Further, the Company has not given any advances in the nature of loans to any party.
 - (f) On the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment. No loans were granted during the year to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013.
- iv. The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Companies Act. The Company has complied with the provisions of Sections 186 of the Companies Act in respect of investments made or loans or guarantees or security provided by it, as applicable.
 - v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence reporting under Clause 3(v) of the Order is not applicable.
 - vi. In our opinion and according to the information and explanations given to us, the requirement for maintenance of cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014 specified by the Central Government of India under Section 148 of the Companies Act, 2013 are not applicable to the Company for the year under audit.
 - vii. a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has generally been regular in depositing the undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues applicable to it with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues were in arrears as at 31st March, 2022 for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us, details of dues towards Income Tax and Service Tax which have not been deposited by the Company on account of disputes are as follows,

Name of the Statute	Nature of the Dues	Amount (in Rs)	Period to which amount relates	Forum where dispute is pending
Finance Act, 1994	Service Tax & Penalty	4,32,44,054	Various Years 2006-07 to 2011-12	C.S.T- Service Tax Ahmedabad
Income Tax Act, 1961	Income Tax	17,14,460	A.Y.2014-15	Commissioner of Income tax Ahmedabad

According to the information and explanations given to us, there are no dues of Sales tax, Excise Duty, Custom Duty, Value Added Tax, Goods and Service tax and Cess which have not been deposited with the appropriate authorities on account of any dispute

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- c) On an overall examination of the financial statements of the Company, term loans have been applied by the Company for the purposes for which the loans were obtained.
- d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- e) The Company does not have any subsidiaries, joint venture or associate Accordingly, Reporting under clause (ix)(e) of paragraph 3 of the order is not applicable.
- f) The Company does not have any subsidiaries, joint venture or associate Companies. Accordingly, Reporting under clause (ix)(f) of paragraph 3 of the order is not applicable.
- x. a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) paragraph 3 of the order is not applicable.
- b) During the year, the Company has not been made any preferential allotment or private placement of the shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) paragraph 3 of the Order is not applicable.
- xi. a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b) No report under sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- c) According to the information and explanations given to us, The Company has not been received any whistle blower complaints during the year.
- xii. The Company is not a nidhi Company. Accordingly, reporting under Clauses (xii) of paragraph 3 of the Order is not applicable.
- xiii. In our opinion the Company is in compliance with Section 177 and 188 of the Companies Act,

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. a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- b) The reports of the internal auditors for the period under audit have been considered by us.
- xv. In our opinion during the year the Company has not entered into any non-cash transaction with the Directors or Persons connected with its Directors and covered under Section 192 of the Act. Accordingly, the provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. a) The Company is not required to be registered under Section 45- IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under Clause (xvi)(a) and (b) of paragraph 3 of the Order is not applicable to the Company.
- b) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- c) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under Clause (xvi)(d) of paragraph 3 of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on date of the audit report indicating that Company is not capable of meeting its liabilities exists at the date of balance sheet as and when they fall due within a period of one year from the date of balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the date of balance sheet date, will get discharged by the Company as and when they fall due.
- xx. The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year
- xxi. The Company does not have any subsidiaries or associates or joint ventures. Accordingly, reporting under Clauses (xxi) of paragraph 3 of the Order are not applicable to the Company.

For F P & Associates
Chartered Accountants
Firm Registration No: 143262W

Place : Ahmedabad
Date : May 28, 2022
UDIN : 22133589AJTZGN1057

F. S. SHAH
Partner
Membership No.: 133589

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the internal financial controls over financial reporting of Freshtrop Fruits Limited (the "Company") as of 31st March 2022 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 Board of Directors of the Company 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's Internal Financial Control 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 Control 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 Control over Financial Reporting included obtaining an understanding of Internal Financial Control 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 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 Control system over Financial Reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's Internal Financial Control over Financial Reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A Company's Internal Financial Control over Financial Reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with 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 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 Internal Financial Controls 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, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2022, based on the criteria for internal financial controls 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 F P & Associates
Chartered Accountants
Firm Registration No: 143262W

Place : Ahmedabad
Date : May 28, 2022
UDIN : 22133589AJTZGN1057

F. S. SHAH
Partner
Membership No.: 133589

BALANCE SHEET AS AT 31st MARCH, 2022

(INR in Lakhs)

Particulars	Notes	As at 31 st March, 2022	As at 31 st March, 2021
ASSETS			
Non-Current Assets			
Property, plant and equipment	4	5,057.70	5,203.54
Capital work in progress	4	11.24	-
Intangible assets	5	8.37	16.34
Right-of-Use of Assets	6	8.29	-
Financial assets			
(i) Investment*	7	213.02	360.61
(ii) Other financial asset	9	41.32	40.49
Other non-current assets	10	25.00	58.79
Income Tax Assets (Net)	11	140.72	1.17
Total Non-Current Assets		5,505.67	5,680.94
Current Assets			
Inventories	12	6,490.59	4,603.28
Financial Assets			
(i) Investments	7	266.84	408.73
(ii) Trade receivables	13	3,411.64	3,274.53
(iii) Cash and cash equivalents	14	501.82	325.53
(iv) Other Bank Balances	15	42.38	291.30
(v) Loans	8	11.73	5.90
(vi) Other Financial asset	9	18.69	72.75
Other current assets	10	649.18	804.94
Total Current Assets		11,392.88	9,786.97
Total Assets		16,898.54	15,467.91
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	1,068.80	1,092.28
Other Equity	17	7,289.32	6,742.80
Total Equity		8,358.12	7,835.08
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
(i) Borrowings	18	599.00	154.92
(ii) Lease Liability	20	5.86	-
(iii) Other financial liabilities	19	-	19.94
Deferred tax liabilities (Net)	38	484.04	435.08
Provisions	23	3.92	5.78
Total Non-Current Liabilities		1,092.82	615.73
Current Liabilities			
Financial Liabilities			
(i) Borrowings	18	1,801.74	2,941.42
(ii) Lease Liability	20	2.42	-
(iii) Trade Payable	21	-	-
Due to Micro and Small Enterprises		-	-
Due to Others		4,323.09	3,318.32
(iv) Other financial liabilities	19	933.29	606.60
Other current liabilities	22	374.48	137.70
Provisions	23	12.59	13.06
Total Current Liabilities		7,447.60	7,017.11
Total Liabilities		8,540.42	7,632.83
Total Equity and Liabilities		16,898.54	15,467.91
Significant Accounting Policies 2 & 3			
* Numbers are below one thousand under the rounding off convention adopted by the company and accordingly not reported.			
The accompanying notes are integral part of the financial statements.			

As per our report of even date attached

For and on behalf of the Board of Directors

For, F P & AssociatesChartered Accountants
FRN: 143262W**(Ashok Motiani)**
Managing Director
DIN 00124470**(Nanita Motiani)**
Executive Director
DIN 00787809**(F. S. Shah)**Partner
M.No. 133589**(Sanjay Prajapati)**
Chief Financial officerPlace : Ahmedabad
Date : May 28, 2022

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31st MARCH, 2022

(INR in Lakhs)

Particulars	Notes	Year Ended 31.03.2022	Year Ended 31.03.2021
Revenue from Operations			
Revenue from Operations	24	17,410.12	14,653.98
Other Income	25	458.70	389.35
Total Income (A)		17,868.81	15,043.33
Expenses			
Cost of materials consumed	26	11,897.61	8,671.06
Changes in inventories of finished goods	27	(1,865.66)	216.92
Employee Benefit Expenses	28	1,429.45	1,381.86
Finance costs	29	85.04	99.18
Depreciation and amortisation expenses	30	484.43	527.33
Other Expenses	31	4,805.89	2,846.02
Total Expenses (B)		16,836.75	13,742.38
Profit Before Tax (A-B)		1,032.06	1,300.95
Tax Expenses	32		
Current Tax		326.31	329.45
Adjustments for the current tax of prior periods		-	-
Deferred Tax		(29.87)	22.94
		296.44	352.39
Profit After Tax for the Period		735.62	948.56
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		5.62	2.23
Income tax relating to these items		(1.56)	(0.62)
Items that will be reclassified to profit or loss			
Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge		25.72	(63.67)
Income tax relating to these items		(12.25)	15.83
Other Comprehensive Income for the Period, net of tax		17.52	(46.22)
Total Comprehensive Income for the Period		753.15	902.34
Earning per Equity Share (EPS) for Profit for the Period (Face Value of Rs 10)			
Basic (Rs.)	41	9.66	8.52
Diluted (Rs.)	41	9.66	8.52
Significant Accounting Policies 2 & 3			
The accompanying notes are integral part of the Financial Statements.			

As per our report of even date attached

For and on behalf of the Board of Directors

For, F P & Associates

Chartered Accountants

FRN: 143262W

(F. S. Shah)

Partner

M.No. 133589

Place : Ahmedabad

Date : May 28,2022

(Ashok Motiani)

Managing Director

DIN 00124470

(Nanita Motiani)

Executive Director

DIN 00787809

(Sanjay Prajapati)

Chief Financial officer

STATEMENT OF CASH FLOW FOR THE YEAR ENDED ON 31st MARCH, 2022

(INR in Lakhs)

Particulars	For the Period ended 31.03.2022	For the Period ended 31.03.2021
Cash Flow from Operating Activities		
Profit before Taxes	1,032.06	1,300.95
Adjustments for:		
Depreciation and Amortisation	475.49	527.33
(Profit)/Loss on sale of Investments	(19.59)	(83.61)
(Profit)/Loss on sale of Assets	(0.65)	6.65
Unrealised Foreign Exchange Loss / (Gain)	(90.26)	(59.59)
Bad Debts/ Advances written off	0.09	2.49
Finance Cost	85.04	99.18
Interest/Dividend/Rent received	(20.70)	(3.43)
Operating Profit before Working Capital Changes	1,461.48	1,789.96
Changes in Current Assets and Current Liabilities		
(Increase) / Decrease in Trade Receivables	(67.30)	16.53
(Increase) / Decrease in Inventories	(1,887.31)	266.08
(Increase) / Decrease in financial assets	287.84	(300.11)
(Increase) / Decrease in Other assets	189.56	666.41
Increase / (Decrease) in Trade and other Payable	1,185.70	(1,353.69)
Increase / (Decrease) in provisions	3.29	9.01
Cash generated from Operations	1,173.26	1,094.20
Income Taxes paid	400.85	135.77
Net Cash Flow from Operating Activities (A)	772.40	958.43
Cash Flow from Investing Activities		
Purchase of PPE including Capital Work In Progress and capital advances	(344.60)	(179.55)
Sale proceed of Fixed Assets	3.58	15.38
Interest/Dividend/Rent received	20.70	3.43
Sale proceed of Current Investment	1,645.45	1,433.57
Purchase of Current Investments	(1,334.55)	(1,611.52)
Net Cash Flow from/ (used in) Investing Activities (B)	(9.42)	(338.70)
Cash Flow from Financing Activities		
Increase / (Decrease) in Non Current Borrowings	444.08	(468.04)
Increase / (Decrease) in Current Borrowings	(673.76)	297.47
Finance Cost	(85.04)	(99.18)
Expenses relating to buy-back of equity shares	(254.92)	(172.13)
Buyback of Equity Share Capital	(23.48)	(22.22)
Bank deposit in escrow account	-	(70.00)
Net Cash Flow from Financing Activities (C)	(593.12)	(534.10)
Net Increase / (Decrease) in Cash and Cash Equivalents (A+ B+ C)	169.86	85.63
Cash and Cash Equivalents at the beginning of the period	325.54	243.55
Unrealised Gain/(Loss) on foreign currency Cash and Cash Equivalents	6.42	-3.64
Cash and Cash Equivalents at the end of the period	501.82	325.54

STATEMENT OF CASH FLOW FOR THE YEAR ENDED ON 31st MARCH, 2021
Notes to Statement of Cash Flow

(a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind-As-7)- Statement of Cash Flow.

(b) **Cash and cash equivalent includes-** (INR in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Cash and Cheques on Hand	1.15	4.09
Balances with Scheduled Banks		
in Current Accounts	10.90	50.66
in Exchange Foreign Currency Account	489.77	270.78
Cash and Cash Equivalent in Cash Flow Statement	501.82	325.54

As per our report of even date attached

For, F P & Associates

Chartered Accountants

FRN: 143262W

(F. S. Shah)

Partner

M.No. 133589

Place : Ahmedabad

Date : May 28,2022

For and on behalf of the Board of Directors

(Ashok Motiani)

Managing Director

DIN 00124470

(Nanita Motiani)

Executive Director

DIN 00787809

(Sanjay Prajapati)

Chief Financial officer

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED ON 31st MARCH 2022

(INR in Lakhs)

A. EQUITY SHARE CAPITAL

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balance at the beginning of the Reporting period	1,092.28	1,114.50
Changes in Equity Share capital to prior period errors	-	-
Restated balance at the beginning of the current reporting period	1,092.28	1,114.50
Changes in Equity Share Capital during the year	(23.48)	(22.22)
Balance at the end of the Reporting period	1,068.80	1,092.2

B. OTHER EQUITY
(INR in Lakhs)

Particulars	Reserves & Surplus					Other reserves	Total Other Equity
	Capital reserve	Capital Redemption Reserve	Securities Premium Reserve	General Reserve	Retained Earnings reserve	Cash flow hedging	
Balance as at April 1, 2020 (A)	89.50	100.00	-	12.88	5,808.01	43.56	6,053.95
Addition during the year:							
Profit for the period	-	-	-	-	948.56	-	948.56
Taxes of Earlier Years	-	-	-	-	-	-	-
Items of OCI for the year, net of tax:							
Remeasurement benefit of defined benefit plans	-	-	-	-	1.61	-	1.61
Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge (net of tax)	-	-	-	-	-	(47.83)	(47.83)
Total Comprehensive Income for the year 2020-21(B)	-	-	-	-	950.17	(47.83)	902.34
Reductions during the year:							
Buy back of Equity Shares (Refer Note 16d)	-	22.22	-	(12.88)	(156.18)	-	(146.84)
Buy Back Related Expenses	-	-	-	-	(66.65)	-	(66.65)
Total (C)	-	22.22	-	(12.88)	(222.83)	-	(213.49)
Balance as at 31st March, 2021(D)=(A+B+C)	89.50	122.22	-	-	6,535.35	(4.27)	6,742.80
Addition during the year:							
Profit for the period	-	-	-	-	735.62	-	735.62
Items of OCI for the year, net of tax:							
Remeasurement benefit of defined benefit plans	-	-	-	-	4.06	-	4.06
Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge (net of tax)	-	-	-	-	-	13.46	13.46
Total Comprehensive Income for the year 2021-22 (E)	-	-	-	-	739.68	13.46	753.15
Reductions during the year:							
Buy back of Equity Shares (Refer Note 16d)	-	23.48	-	-	(159.10)	-	(135.62)
Buy Back Related Expenses	-	-	-	-	(71.01)	-	(71.01)
Total (F)	-	23.48	-	-	(230.11)	-	(206.63)
Balance as at 31st March, 2022(G)=(D+E+F)	89.50	145.70	-	-	7,044.93	9.19	7,289.32

As per our report of even date attached

For, F P & Associates

Chartered Accountants

FRN: 143262W

(F. S. Shah)

Partner

M.No. 133589

Place : Ahmedabad

Date : May 28,2022

For and on behalf of the Board of Directors

(Ashok Motiani)

Managing Director

DIN 00124470

(Nanita Motiani)

Executive Director

DIN 00787809

(Sanjay Prajapati)

Chief Financial officer

Notes to the Financial Statement for the year ended 31st March, 2022

1. CORPORATE INFORMATION

Freshtrop Fruits Limited ("The Company") is a public company domiciled in India and incorporated under provisions of the Companies Act, 1956. The company is primarily engaged in the business of exports of fresh fruits and vegetables to leading supermarket chains in various parts of Europe, Russia & Hong Kong as well as in Domestic Market. The company is producing Fruit Pulp & Concentrate for both the Domestic & International Customers. The company also produces cold processed juice for the domestic customers.

2. SIGNIFICANT ACCOUNTING POLICIES:

2.1 Basis of preparation of financial statements

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified under Section 133 of the Companies Act, 2013 ("Act") read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities (including Derivative Instrument) that are measured at fair values and Defined benefit planned assets measured at fair value at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

(ii) Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialized.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

(iii) Current / Non Current Classification

All assets and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

(iv) Rounding of amounts

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

2.2 Property Plant and Equipment

Recognition and measurement

Freehold land is carried at historical cost. All the other items of Property, Plant and Equipment are stated at cost, net of recoverable taxes, less accumulated depreciation and accumulated impairment losses, if any.

The cost of Property, Plant and Equipment comprises of its purchase price or construction cost, any costs directly attributable to bringing the asset into the location and condition

necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and borrowing costs for assets that necessarily take a substantial period of time to get ready for their intended use. Subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

Capital work-in-progress is stated at cost. All the direct expenditure related to implementation including incidental expenditure incurred during the period of implementation of a project, till it is commissioned, is accounted as Capital work-in-progress (CWIP) and after commissioning the same is transferred / allocated to the respective item of property, plant and equipment.

Pre-operating costs, are expensed to the Statement of Profit and Loss as and when incurred.

If significant parts of an item of Property, Plant and Equipment have different useful lives and cost, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in Statement of Profit and Loss.

2.3 Intangible asset

Recognition and measurement

Intangible assets are initially measured at cost. Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.

Such intangible assets are subsequently measured at cost less accumulated amortization and any accumulated impairment losses. The cost of an intangible asset comprises of its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use.

2.4 Depreciation method, estimated useful lives and residual value

The estimate of the useful life of the assets has been assessed based on technical advice which considered the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Depreciation is provided on a pro-rata basis on the straight line method over the useful lives as prescribed under Schedule II to the Companies Act, 2013 with the exception of the following:

Asset Description	Useful Life
Office Building with RCC frame structure	30
Factory building	20

The management believes that these estimated useful lives reflect fair approximation of the period over which the assets are likely to be used.

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 required.

Intangible assets are amortized over the estimated period of benefit, not exceeding five years.

2.5 Impairment

Assets that have an indefinite useful life, for example goodwill, are not subject to amortization and are tested for impairment annually and whenever there is an indication that the asset may be impaired.

Assets that are subject to depreciation are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit (CGU) exceeds its recoverable amount. The recoverable amount of an asset is the greater of its fair value less cost to sell and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risk specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal.

Impairment losses, if any, are recognized in the Statement of Profit and Loss and included in depreciation and amortization expense. Impairment losses are reversed in the Statement of Profit and Loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognized.

2.6 Lease

Assets taken on lease:

At inception of a contract, the Company assesses whether a contract is or contains a lease. A contract is, or contains, a lease if a contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract conveys the right to use an identified asset;
- the Company has the right to obtain substantially all the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the identified asset.

At the date of commencement of a lease, the Company recognises a right-of-use asset ("ROU assets") and a corresponding lease liability for all leases, except for leases with a term of twelve months or less (short-term leases) and low value leases. For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. Lease payments to be made under such reasonably certain extension options are included in the measurement of ROU assets and lease liabilities.

Lease liability is measured by discounting the lease payments using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Lease payments are allocated between principal and finance cost. The finance cost is charged to statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The ROU assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives and restoration costs.

They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. ROU assets are depreciated on a straight-line basis over the asset's useful life or the lease whichever is shorter.

Impairment of ROU assets is in accordance with the Company's accounting policy for impairment of tangible and intangible assets.

Short-term leases and leases of low-value assets:

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

2.7 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

A financial asset is recognised in the balance sheet when the Company becomes party to the contractual provisions of the instrument. At initial recognition, the Company measures a financial asset at its fair value plus or minus, in the case of a financial asset not at fair value through statement of profit and loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset.

Subsequent measurement

For purpose of subsequent measurement, financial assets are classified into:

- a. Financial assets measured at amortized cost;
- b. Financial assets measured at fair value through other comprehensive income (FVTOCI);
- c. Financial assets measured at fair value through statement of profit and loss (FVTPL)

The Company classifies its financial assets in the above mentioned categories based on:

- a. The Company's business model for managing the financial assets;
- b. The contractual cash flows characteristics of the financial asset.

Financial assets measured at amortized cost

This category generally applies to trade and other receivables.

A financial asset is measured at amortized cost if both of the following conditions are met:

- a. The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows;
- b. The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

Financial assets measured at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

- a. The financial asset is held within a business model whose objective is achieved by both collecting the contractual cash flows and selling financial assets;
- b. The asset's contractual cash flows represent SPPI.

Financial assets measured at fair value through the statement of profit and loss (FVTPL)

FVTPL is a residual category. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

Equity Instruments

All the equity instruments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL.

If the company decides to classify an equity instrument as at FVTOCI, then all the fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity. Equity instruments included within FVTPL category are measured at fair value with all the changes recognized in statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Company's balance sheet) when:

- a. The contractual rights to the cash flows from the financial asset have expired, or
- b. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
- c. The Company has transferred substantially all the risks and rewards of the asset, or
- d. The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Company assesses impairment based on expected credit loss (ECL) model to the following:

- a. Financial assets measured at amortized cost;
- b. Financial assets measured at fair value through other comprehensive income

Expected credit losses are measured through a loss allowance at an amount equal to:

- a. The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- b. Full time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Company follows simplified approach for recognition of impairment loss allowance on trade receivables, under the simplified approach; the Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision

matrix is based on its historically observed default rates over the expected life of the trade receivable which is adjusted for management's estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through statement of profit and loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables and short term borrowings.

Subsequent measurement

- a. Financial liabilities measured at amortized cost;
- b. Financial liabilities subsequently measured at fair value through statement of profit and loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through statement of profit and loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Trade and other payables

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

Fair Value

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:

- (i) In the principal market for the asset or liability, or
- (ii) 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 best economic interest.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- **Level 1** - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- **Level 2** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- **Level 3** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

2.8 Derivative financial instruments and Hedge Accounting

The company's activities expose it to the financial risk of the changes in foreign exchange and interest rates. The use of financial derivative is governed by the company's risk management policies approved by the board of the directors. The company has taken cross currency interest rate swaps for its floating rate foreign currency borrowings to hedge foreign currency risk and interest rate risk. The company has taken forward contracts to hedge future probable forecasted export sales.

The company documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The company documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are also classified as a current asset or liability when expected to be realized /settled within 12 months of the balance sheet date.

a. Cash flow hedges that qualify for hedge accounting:

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in statement of profit and loss, within other gains/(losses). Amounts accumulated in equity are reclassified to statement of profit and loss in the periods when the hedged item affects statement of profit and loss

2.9 Inventories

Inventories are valued at cost or net realizable value (NRV), whichever is lower. The basis of determining cost for various categories of inventories is as follows:

- Raw materials, finished goods, packing materials, stores and spares and consumables are carried at the lower of cost and net realizable value after providing for obsolescence, if any. The comparison of cost and NRV is made on an item-by item basis.
- In determining the cost of raw materials, packing materials, consumables, stores and spares, First- in-First-Out (FIFO) method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.
- Cost of finished goods includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheads, excise duty as applicable and other costs incurred in bringing the inventories to their present location and condition.

2.10 Employee benefit

Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are

classified as short-term employee benefits. These benefits include salaries and wages, bonus, short term compensated absences, ex-gratia, etc. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

Compensated Absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Post-Employment Benefits:

(i) Defined Contribution plans:

Defined contribution plans are employee state insurance scheme and Government administered provident funds scheme for all applicable employees and superannuation scheme for eligible employees.

Recognition and measurement of defined contribution plans:

The Company recognizes contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Company during the reporting period. If the contributions payable for services received from employees before the reporting date exceed the contributions already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

(ii) Defined Benefit Plans

Provident Fund scheme:

Defined Contribution Plans such as Provident Fund etc., are charged to the Statement of Profit and Loss as incurred. The contributions are made to a government administered Provident Fund scheme towards which the Company has no further obligations beyond its monthly contributions.

Defined benefit Gratuity plan:

The Company has funded its gratuity liability with Life Insurance Corporation of India (LIC) under the Group Gratuity Cash Accumulation Plan.

Recognition and measurement of Defined Benefit plans:

The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability / (asset) are recognized in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability / (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognized in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

The Company presents the above liability/(asset) as current and non-current in the Balance Sheet as per actuarial valuation by the independent actuary; however, the entire liability towards

gratuity is considered as current as the Company will contribute this amount to the LIC within the next twelve months.

2.11 Borrowing Cost

The Company is capitalizing borrowing costs that are directly attributable to the acquisition or construction of qualifying assets. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. For borrowing cost capitalization, the capital cost of a particular project is identified against a borrowing in terms of period of construction and the borrowing cost for the relevant period is added to the capital cost till the particular project is capitalised and thereafter the interest is charged to the statement of profit and loss. All other borrowing costs are recognized as expense in the period in which they are incurred and charged to the statement of profit and loss.

2.12 Foreign Currency Translation

Functional and presentation currency

The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

Initial Recognition:

On initial recognition, transactions in foreign currencies entered into by the Company are recorded in the functional currency (i.e. Indian Rupees), by applying to the foreign currency amount, the spot exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss.

Transactions and balances:

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realized gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

2.13 Revenue Recognition

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

Sale of products:

Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

Revenue from services:

Revenue from services is recognized over time by measuring progress towards satisfaction of performance obligation for the services rendered as per contractually agreed terms.

Interest and dividends:

Interest income is recognized using effective interest method. Dividend income is recognized when the right to receive dividend is established.

Other Operating Revenue -Export Incentive:

Export Incentives are recognized as income when right to receive credit as per the terms of the scheme is established in respect of the exports made and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

2.14 Taxation
Income taxes

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current tax:

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961.

Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

Deferred tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income Tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Presentation of current and deferred tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/ expense are recognized in Other Comprehensive Income.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

2.15 Provisions and Contingent Liabilities

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

2.16 Research and Development Expenditure

Expenditure on research is recognised as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible asset is recognised as an expense when it is incurred.

Items of property, plant and equipment and acquired Intangible Assets utilized for Research and Development are capitalised and depreciated in accordance with the policies stated for Property, Plant and Equipment and Intangible Assets.

2.17 Earnings per Share

Basic EPS is computed by dividing net profit after taxes for the year by weighted average number of equity shares outstanding during the financial year, adjusted for bonus share elements in equity shares issued during the year and excluding treasury shares, if any.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.18 Segment Reporting

The Chief Operational Decision Maker (CODM) monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Operating segments are reported in a manner consistent with the internal reporting provided to the CODM.

The Board of Directors (BOD) of the Company assesses the financial performance and position of the Company, and makes strategic decisions; hence the Board of Directors are CODM. Refer note 37 for segment related information.

2.19 Cash and cash equivalents

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

2.20 Statement of Cash Flows

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

2.21 KEY ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the Company's financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

3. CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

Income taxes

The Company's tax jurisdiction is India. Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions (Refer Note 32).

Property, Plant and Equipment

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

Defined Benefit Obligation

The costs of providing gratuity and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in Note 35, 'Employee benefits'.

Fair value measurement of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgments and assumptions.

Notes to the Financial Statement for the year ended 31st March, 2022

4. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment as at 31st March 2022

(INR in Lakhs)

Particulars	Gross Carrying Amount		Accumulated Depreciation			Net Carrying Amt.	
	Balance As at 1st April, 2021	Additions/ Adjustments during the year	Deduction during the Year	Balance As at 31st March, 2022	Depreciation during the Year	Balance As at 31st March, 2022	Balance As at 31st March, 2021
Land and land development	525.48	-	-	525.48	-	525.48	525.48
Factory building*	2,306.39	(38.57)	-	2,267.82	80.55	1,253.95	1,372.84
Machinery	6,103.44	366.08	11.34	6,458.19	348.89	3,400.28	3,043.64
Office equipments	69.16	1.89	-	71.05	6.03	59.94	11.11
Vehicles	248.22	-	0.34	247.87	22.40	114.98	132.89
Furniture and fixtures	135.35	-	-	135.35	8.17	83.43	51.92
Computer equipment	114.17	3.96	-	118.14	6.59	106.13	12.00
Office electrification	3.26	-	-	3.26	-	3.09	0.16
Pollution control equipment	53.14	-	-	53.14	3.85	40.86	12.28
Total Property, Plant and Equipment	9,558.61	333.36	11.68	9,880.29	476.27	4,822.59	5,057.70
Capital Work In Progress	-	-	-	-	-	11.24	-

Property, plant and equipment as at 31st March 2021

(INR in Lakhs)

Particulars	Gross Carrying Amount		Accumulated Depreciation			Net Carrying Amt.	
	Balance As at 1st April, 2020	Additions/ Adjustments during the year	Deduction during the Year	Balance As at 31st March, 2021	Depreciation during the Year	Balance As at 31st March, 2021	Balance As at 31st March, 2020
Land and land development	525.48	-	-	525.48	-	525.48	525.48
Factory building	2,246.15	60.24	-	2,306.39	91.85	933.55	1,372.84
Machinery	5,981.21	130.91	8.67	6,103.44	369.90	3,059.80	3,290.17
Office equipments	67.98	2.08	0.90	69.16	6.26	53.91	15.25
Vehicles	241.90	41.54	35.23	248.22	25.28	92.92	155.30
Furniture and fixtures	121.49	13.86	-	135.35	7.38	75.26	60.09
Computer equipment	114.34	2.52	2.69	114.17	12.96	99.54	14.63
Office electrification	3.26	-	-	3.26	0.00	3.09	0.16
Pollution control equipment	53.14	-	-	53.14	3.88	37.01	16.13
Total Property, Plant and Equipment	9,354.96	251.15	47.49	9,558.61	517.51	4,355.08	5,203.54
Capital Work In Progress	-	-	-	-	-	-	-
							53.07

Notes to the Financial Statement for the year ended 31st March, 2022

4. PROPERTY, PLANT AND EQUIPMENT (Contd.)

Property, plant and equipment as at 31st March 2022

* During the year, reclassification has been made from Factory Building to Plant & Machinery at carrying amount.

Ageing schedule of Capital WIP :-	Amount in CWIP for a period of					(INR in Lakhs)
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	Total	
Capital WIP Ageing Schedule as on 31.03.2022						
Projects in Progress	11.24	-	-	-	11.24	
Capital WIP Ageing Schedule as on 31.03.2021						
Projects in Progress	-	-	-	-	-	

There are no Capital work in Progress where completion is overdue against planned timelines or where estimated cost exceeded its original planned costs as on 31st March 2022 & 31st March 2021

Notes to the Financial Statement for the year ended 31st March, 2022

78 5. INTANGIBLE ASSETS

(INR in Lakhs)

Particulars	Gross Carrying Amount			Accumulated Depreciation			Net Carrying Amt.	
	Balance As at 1st April, 2021	Additions/ Adjustments during the year	Deduction during the Year	Balance As at 31st March, 2022	Balance As at 1st April, 2021	Depreciation during the Year	Balance As at 31st March, 2022	Balance As at 31st March, 2021
Computer Software	39.70	-	-	39.70	24.03	7.53	31.56	15.67
Trademark	1.95	-	-	1.95	1.28	0.44	1.71	0.67
Total Intangible Assets	41.65	-	-	41.65	25.31	7.97	33.28	16.34

(INR in Lakhs)

Particulars	Gross Carrying Amount			Accumulated Depreciation			Net Carrying Amt.	
	Balance As at 1st April, 2020	Additions/ Adjustments during the year	Deduction during the Year	Balance As at 31st March, 2021	Balance As at 1st April, 2020	Depreciation during the Year	Balance As at 31st March, 2021	Balance As at 31st March, 2020
Computer Software	39.70	-	-	39.70	16.44	7.59	24.03	23.26
Trademark	1.95	-	-	1.95	0.84	0.44	1.28	1.11
Total Intangible Assets	41.65	-	-	41.65	17.28	8.03	25.31	24.37

Notes to the Financial Statement for the year ended 31st March, 2022
6 RIGHT OF USE ASSETS

Particulars	As at 31st March, 2022	As at 31st March, 2021
RIGHT OF USE ASSETS	Building	Building
COST		
At 1st April 2021	-	4.48
Addition during the year	8.48	-
At 31st March 2022	8.48	4.48
ACCUMULATED DEPRECIATION		
At 1st April 2021	-	2.69
Depreciation Expense	0.19	1.79
At 31st March 2022	0.19	4.48
Net carrying value as at 31 March 2022	8.29	-

7 INVESTMENT*
(INR in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
<u>Non-Current</u>		
Investments in unquoted equity shares of Cooperative Society measured at fair value through profit and loss (FVTPL)		
Shree Laxminarayan Co-operative Society limited. ** [5 Nos.(P.Y. 5)] of Rs.50 each	0.00	0.00
Non-Convertible Debentures		
Investment in instruments carried at fair value through profit and loss (FVTPL)		
Embassy Office Parks Reit-Secured Redeemable - 9 Units (P.Y Nil) of Rs. 11,62,326.11 each	-	99.90
IIFLWF Principal protected -Secured Redeemable- Nil (P.Y 217 Units) of Rs. 1,15,212.12 each	-	260.71
Piramal Enterprises Limited-Non-Convertible Debentures - 20 Units (P.Y. Nil) of Rs. 1,00,000 each	213.02	-
Total Non-Current Investments	213.02	360.61
Aggregate value of unquoted investments- at Cost	200.00	354.62
Aggregate carrying value of unquoted investments	213.02	360.61
Aggregate amount of impairment in value of investments	-	-

Notes to the Financial Statement for the year ended 31st March, 2022

7 INVESTMENT* (Contd.....)

(INR in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Current		
(A) Quoted Units		
Investments in Units at fair value through profit & Loss Account (FVTPL)		
Units of Mindspace Business Park REIT- NIL (P.Y - 2400 Units) of Rs.275 each.	-	7.08
Total Quoted Units (A)	-	7.08
(B) Unquoted Alternative Investment Fund		
Investment in Alternative Investment Fund carried at fair value through profit and loss (FVTPL)**		
Alpha Alternatives Multy Abs Return Scheme - Nil Units (P.Y - 29998.500) of Rs 1000 each.	-	301.30
Northern Arc Investment Managers Private Limited- Nil Units (P.Y - 99,995) of Rs 100 each	-	100.36
Total Unquoted Alternative Investment Funds (B)	-	401.66
(C) Unquoted Non Convertible Debentures		
Investment in instruments carried at fair value through profit and loss (FVTPL)		
IIFLWF Principal protected -Secured Redeemable- 217 Units (P.Y Nil) of Rs. 1,15,212.12 each	266.84	-
	266.84	-
Total Current Investments (A+B+C)	266.84	408.73
Aggregate amount of quoted investments-At Cost	-	6.60
Aggregate amount of quoted investments-At Market Value	-	7.08
Aggregate carrying value of unquoted Alternative Investment Fund	-	401.66
Aggregate carrying value of unquoted investments	266.84	-
Aggregate amount of impairment in value of investments	-	-

*Refer note 33 - Financial instruments, fair values and risk measurement

** Numbers are below one thousand under the rounding off convention adopted by the company and accordingly not reported.

Notes to the Financial Statement for the year ended 31st March, 2022
8 LOANS*
(INR in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
<u>Current</u>		
Other loan and advances		
Secured, considered good	-	-
Unsecured, considered good	11.73	5.90
Total Loans	11.73	5.90

*Refer note 33 - Financial instruments, fair values and risk measurement

9 OTHER FINANCIAL ASSETS*
(INR in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
<u>Non-Current</u>		
Security and other deposits (unsecured, considered good)	41.32	40.49
Total Non-Current Other Financial Assets	41.32	40.49
<u>Current</u>		
Derivatives - foreign exchange forward contracts #	12.39	-
Derivatives - cross currency interest rate swap #	6.30	72.75
Total Current Other Financial Assets	18.69	72.75

* Refer note 33 - Financial instruments, fair values and risk measurement

The company has entered into forward contracts to hedge its exchange rate risk. The Company has also entered into cross currency interest rate swap to hedge against interest rate risk and exchange rate risk . Refer note - 33 Financial instruments, fair values and risk measurement for details.

10 OTHER CURRENT ASSETS
(INR in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
<u>Non-Current</u>		
Balances with Government Authorities *	25.00	25.00
Equity share Buyback Account **	-	33.79
Total Non-Current Assets	25.00	58.79
<u>Current</u>		
Advance to supplier of goods and expense	59.02	6.67
Prepaid Expenses	47.76	43.98
Export incentive receivable	90.15	217.08
Transport and Marketing Assistance Receivable	164.17	223.09
Other receivable	6.02	36.95
Balances with Government Authorities*	282.07	277.18
Total Current Non-Financial Assets	649.18	804.94

* Balance government authorities include balances with GST, VAT Department etc.

Notes to the Financial Statement for the year ended 31st March, 2022

11 INCOME TAX ASSETS (NET)

(INR in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Advance payment of tax (Net of provision and Tax deducted at source)	140.72	1.17
Total Income Tax Assets (Net)	140.72	1.17

12 INVENTORIES

(INR in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Raw Materials	38.44	15.61
Finished Goods	939.01	399.40
Finished Goods in transit	4,975.02	3,649.00
Packing Materials	509.15	514.49
Consumables	21.63	21.73
Coal, Spares etc.	7.34	3.06
Total Inventories	6,490.59	4,603.28

13 TRADE RECEIVABLES*

(INR in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Current		
Secured, considered good	-	-
Unsecured, considered good	3,411.64	3,274.53
Unsecured, considered doubtful	-	-
	3,411.64	3,274.53
Less: Allowances for unsecured doubtful debts	-	-
Total Trade Receivables	3,411.64	3,274.53

* Refer note 33 - Financial instruments, fair values and risk measurement.

Notes to the Financial Statement for the year ended 31st March, 2022
13 TRADE RECEIVABLES* (Contd.....)
(INR in Lakhs)
Ageing for trade receivables from the due date of payment for each of the category as at 31st March, 2022

PARTICULARS	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 Months	6 months to 12 Months	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	3411.64	-	-	-	-	-	3411.64
Undisputed trade receivables –which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-

Ageing for trade receivables from the due date of payment for each of the category as at 31st March, 2021

PARTICULARS	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 Months	6 months to 12 Months	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	3274.53	-	-	-	-	-	3274.53
Undisputed trade receivables –which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-

Notes to the Financial Statement for the year ended 31st March, 2022

14 CASH AND CASH EQUIVALENTS*

(INR in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Cash and Cash Equivalents		
Balances with banks		
In current accounts	500.67	321.44
Cash on hand	1.15	4.09
Total Cash and Cash Equivalents	501.82	325.53

15 OTHER BANK BALANCES*

(INR in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Margin money deposit with bank with maturity of more than 3 months but less than 12 months#	21.67	210.13
Unclaimed dividend	8.11	11.17
Balance in Escrow account for buyback of Shares	-	70.00
Balance in CSR Account	12.60	-
Total Bank Balance other than Cash and Cash Equivalents	42.38	291.30

* Refer note 33 - Financial instruments, fair values and risk measurement.

Held as lien by bank against bank guarantees.

16 EQUITY SHARE CAPITAL

(INR in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
AUTHORISED SHARE CAPITAL		
1,50,00,000 Equity shares of Rs. 10/- each	1,500.00	1,500.00
	1,500.00	1,500.00
ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
1,06,87,996 Equity shares of Rs. 10/- each fully paid up (As at 31st March 2021: 1,09,22,752 of Rs.10/- each)	1,068.80	1,092.28
	1,068.80	1,092.28

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

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of shares	Amount in Rs.	No. of shares	Amount in Rs.
At the beginning of the year	109.23	1,092.28	111.45	1,114.50
Less: Buy Back of Equity shares during the year (Refer Note 16(d) Below)	(2.35)	(23.48)	(2.22)	(22.22)
At the end of the year	106.88	1,068.80	109.23	1,092.28

Notes to the Financial Statement for the year ended 31st March, 2022
16 EQUITY SHARE CAPITAL (Contd.....)
(INR in Lakhs)
b) Rights, preferences and restrictions attached to equity shares (excepted forfeited shares)

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each Shareholder is eligible for one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

c) Details of shareholder(s) holding more than 5% equity shares

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of shares	% of holding	No. of shares	% of holding
Number of Equity Shares				
Freshcap Foodstuff LLP	2,101,648	19.66%	2,101,648	19.24%
Ashok Vishindas Motiani	1,546,398	14.47%	1,546,398	14.16%
Nanita Ashok Motiani	855,442	8.00%	855,442	7.83%
Dipti Ashok Motiani	731,964	6.85%	731,964	6.70%
Priyanka Tandon	580,205	5.43%	580,205	5.31%

d) Buy-back of equity shares

The Board of Directors of the Company, at its meeting held on January 28, 2021, have approved Buy- back of fully paid up Equity Shares of face value of Rs.10 each for an aggregate amount not exceeding Rs. 675 Lakhs (Rupees Six Hundred Seventy Five Lakhs only) at a price not exceeding RS. 90/- (Rupees Ninety only) per Equity Shares from the shareholders of the Company via the "open market" route through the stock exchanges under the SEBI Buy-back Regulations 2018 and the Companies Act 2013 (as amended from time to time).

The Company has published the Public Announcement on January 29, 2021 for the Buy-back offer. As for the year ended March 31, 2022 the Company has purchased from open market through Stock Exchanges 1,90,321 Equity Shares (PY 2,66,683 Equity Shares) and extinguished 2,34,756 Equity Shares during the year (PY 2,22,248 Equity shares) out of which 44,435 Equity Shares were bought back during March 23, 2021 to March 30, 2021. The transaction cost of Rs. 47.21 lakhs incurred during the year for buy back of equity shares have been adjusted from Retained Earnings.

e) Shares held by promoters as defined in the Companies Act, 2013 at the end of the year

Particulars	As at 31st March, 2022		As at 31st March, 2021		%Change during the year
	No. of shares	% of holding	No. of shares	% of holding	
Ashok Vishindas Motiani	1,546,398	14.47%	1,546,398	14.16%	0.31%
Nanita Ashok Motiani	855,442	8.00%	855,442	7.83%	0.17%
Mayank Ramesh Tandon	439,676	4.11%	439,676	4.03%	0.09%
Priyanka Mayank Tandon	580,205	5.43%	580,205	5.31%	0.12%
Dipti Ashok Motiani	731,964	6.85%	731,964	6.70%	0.15%
Freshcap Foodstuff LLP	2,101,648	19.66%	2,101,648	19.24%	0.42%

Notes to the Financial Statement for the year ended 31st March, 2022

17 OTHER EQUITY

(INR in Lakhs)

Particulars	Reserves & Surplus					Other reserves	Total Other Equity
	Capital Reseve	Capital Redemption Reserve	Securities Premium Reserve	General reserve	Retained Earnings	Cash flow hedging reserve	
Balance as at April 1, 2020 (A)	89.50	100.00	-	12.88	5,808.01	43.56	6,053.95
Addition during the year:							
Profit for the period	-	-	-	-	948.56	-	948.56
Items of OCI for the year, net of tax:							
Remeasurement benefit of defined benefit plans	-	-	-	-	1.61	-	1.61
Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge (net of tax)	-	-	-	-	-	(47.83)	(47.83)
Total Comprehensive Income for the year 2020-21(B)	-	-	-	-	950.17	(47.83)	902.34
Reductions during the year:							
Buy back of Equity Shares (Refer Note 16d)	-	22.22	-	(12.88)	(156.18)	-	(146.83)
Buy Back Related Expenses	-	-	-	-	(66.65)	-	(66.65)
Total (C)	-	22.22	-	(12.88)	(222.83)	-	(213.48)
Balance as at 31st March, 2021 (D)=(A+B+C)	89.50	122.22	-	-	6,535.35	(4.27)	6,742.80
Addition during the year:							
Profit for the period	-	-	-	-	735.62	-	735.62
Items of OCI for the year, net of tax:							
Remeasurement benefit of defined benefit plans	-	-	-	-	4.06	-	4.06
Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge (net of tax)	-	-	-	-	-	13.46	13.46
Total Comprehensive Income for the year 2021-22 (E)	-	-	-	-	739.68	13.46	753.15
Reductions during the year:							
Buy back of Equity Shares (Refer Note 16d)		23.48		-	(159.10)		(135.62)
Buy Back Related Expenses (Refer Note 16(d))					(71.01)		(71.01)
Total (F)	-	23.48	-	-	(230.11)	-	(206.63)
Balance as at 31st March, 2022 (G)=(D+E+F)	89.50	145.70	-	-	7,044.92	9.19	7,289.32

Notes to the Financial Statement for the year ended 31st March, 2022
17 OTHER EQUITY (contd.....)
Description of nature and purpose of each reserve

General Reserve - General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

Capital Reserve - The company has created capital reserve out of capital subsidies received from state Governments. Capital reserve is utilised in accordance with provision of the Companies Act.

Capital Redemption Reserve- Capital redemption reserve is a reserve created on buy-back of equity shares in accordance with section 69 of the Companies Act, 2013. The reserve is utilised in accordance with the specific provision of the Companies Act, 2013.

Securities premium Reserve - Securities premium reserve is used to record the premium on issue of shares. These reserve is utilised in accordance with the provisions of the Companies Act.

Cash flow hedging Reserve - The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income in cash flow hedging reserve.

18 BORROWINGS*
(INR in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Non-Current Secured		
Term loan from banks	599.00	154.92
Total Non-Current Borrowings	599.00	154.92
Current maturities of long term borrowings	154.77	465.92
Current Secured		
Working capital loan from banks	1,646.97	2,475.50
Current maturities of non-current borrowings	154.77	465.92
Total Current Borrowings	1,801.74	2,941.42

* Refer note 33 - Financial instruments, fair values and risk measurement

Notes:

- Foreign Currency Term loan of Rs 154.77 lakhs (31st March 2021 Rs 620.84 lakhs) are secured by:
 - First exclusive charge on present and future Plant and Machinery of the Borrower located at GAT No. 598/1 and 590/1 D, Village Janori, Tai. Dindori, Dist. Nashik (Maharashtra).
 - First exclusive charge by way of equitable mortgage on land and building located at GAT No. 598/1 and 590/1 D, Village Janori, Tai. Dindori, Dist. Nashik(Maharashtra).
 - Personal guarantee of Mr. Ashok Motiani
 - Demand promissory note and letter of continuity for Rs. 200 Million
 - Last installment in September, 2022

Rate of interest is 3.95% p.a.
- Working Capital Loans from Banks comprise of Cash Credit ,Pre Shipment and Post Shipment Credit are secured by way of hypothecation of Current Assets including Stocks and Book Debts and are colletrally secured by first charge by way of mortgage of factory land & bulding & plant & machinery located at Unit-I,Unit-II and Unit-IV &further secured by Extension of charge over Other fixed assets of the company & personal Guarantee of Chariman & Managing Director.
- The company has availed additional credit facility of Rs.600.00 Lakhs (P.Y. NIL) (Emergency Credit Line Guarantee Scheme) secured by extension of hypothecation charges (2nd Charge) on primary securities available for existing facilities on second ranking basis. 100% credit guarantee by NCGTC. Rate of Interest 7.75%. Last installment in November, 2026.

The Company has not defaulted in the repayment of loans & interest in current & previous year.

Notes to the Financial Statement for the year ended 31st March, 2022

19 OTHER FINANCIAL LIABILITIES*

(INR in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
<u>Non-Current</u>		
Derivatives (Refer note (i) below)	-	19.94
Total Non Current Other Financial Liabilities	-	19.94
<u>Current</u>		
Creditors for capital goods	21.28	9.99
Provision for expense	754.51	456.06
Other current liabilities **	149.39	129.37
Unclaimed dividend***	8.11	11.17
Total Current Other Financial Liabilities	933.29	606.60

* Refer note 33 - Financial instruments, fair values and risk measurement

** Other current liabilities include expenses payable of Rs 51.34 lakhs (31st March 2021 - Rs 57.75 Lakhs) to related parties (Refer note no. 38)

*** There is no amount due for the payment to investor education and protection fund as on 31st March 2022 and 31st March 2021.

20 LEASE LIABILITY

(INR in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
<u>Non - Current</u>		
Lease Liability (Refer Note no 42)	5.86	-
Total Current Non-Financial Liabilities	5.86	-
<u>Current</u>		
Lease Liability (Refer Note no 42)	2.42	-
Total Current Non-Financial Liabilities	2.42	-

21 TRADE PAYABLES

(INR in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
<u>Current</u>		
Dues to Micro and Small Enterprises (Refer Note 40)	-	-
Due to Others (Refer note (i) below) **	4,323.09	3,318.32
Total Trade Payables	4,323.09	3,318.32

* Refer note 33 - Financial instruments, fair values and risk measurement

Notes to the Financial Statement for the year ended 31st March, 2022
21 TRADE PAYABLES (Contd.....)
(INR in Lakhs)
Ageing for trade payables from the due date of payment for each of the category as at 31st March, 2022

PARTICULARS	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 6 Months	6 months to 12 Months	1-2 years	More than 3 years	
MSME	-	-	-	-	-	-
Other than MSME	4,323.09	-	-	-	-	4,323.09
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Other than MSME	-	-	-	-	-	-

Ageing for trade payables from the due date of payment for each of the category as at 31st March, 2021

PARTICULARS	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 6 Months	6 months to 12 Months	1-2 years	More than 3 years	
MSME	-	-	-	-	-	-
Other than MSME	3,318.32	-	-	-	-	3,318.32
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Other than MSME	-	-	-	-	-	-

22 OTHER CURRENT LIABILITIES
(INR in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
<u>Current</u>		
Advance from customers	298.03	32.50
Statutory liabilities #	68.11	105.20
Bank Balance due to Reconciliation	8.33	-
Total Current Non-Financial Liabilities	374.48	137.70

Statutory liabilities represent amount payable towards GST, TDS etc.

23 PROVISIONS
(INR in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
<u>Non-Current</u>		
Provision for gratuity	3.92	5.78
Total Non- Current Provisions	3.92	5.78
<u>Current</u>		
Provision for gratuity	12.59	13.06
Total Current Provisions	12.59	13.06

For movements in provisions for employee benefits, refer Note 35.

Notes to the Financial Statement for the year ended 31st March, 2022

24 REVENUE FROM OPERATIONS

(INR in Lakhs)

Particulars	2021-22	2020-21
Revenue from Sale of Products	17,060.31	14,305.99
Revenue from Sale of Services	57.60	0.90
Total sale of products and service	17,117.92	14,306.89
Export Incentives	292.20	347.09
Total Revenue from Operations	17,410.12	14,653.98

A. Revenue from contracts with customers disaggregated based on nature of products and Services.

(INR in Lakhs)

Particulars	2021-22	2020-21
Revenue from sale of products		
Manufactured Goods		
Grapes	10,872.76	10,168.15
Pomegranates Arils	18.23	-
Mango Pulp & Concentrate	4,208.49	2,367.38
Pomegranate Concentrate	1,723.66	1,461.46
Guava Pulp & Concentrate	32.05	122.35
Watermelon Pulp and Concentrate	100.97	104.79
Fruit Processed Juice	72.27	31.11
Others	31.88	50.75
Total	17,060.31	14,305.99
Revenue from Sale of Services		
Job Work Income	57.60	0.90
Total	57.60	0.90
Other Operating Revenues		
Export incentive income	292.20	347.09
Total	292.20	347.09
Total Revenue from Operations	17,410.12	14,653.98

B. Revenue from contracts with customers disaggregated based on Geography.

(INR in Lakhs)

Particulars	2021-22	2020-21
Domestic	1,798.09	1,446.69
Exports	15,612.02	13,207.29
Revenue from operations	17,410.12	14,653.98

C. Revenue from contracts with customers disaggregated based on Business Segment.

(INR in Lakhs)

Particulars	2021-22	2020-21
Fresh Fruits	11,111.72	10,398.18
Processed Fruits & Vegetables	6,298.39	4,255.79
Revenue from operations	17,410.12	14,653.98

Notes to the Financial Statement for the year ended 31st March, 2022
24 REVENUE FROM OPERATIONS (Contd.....)
D. Reconciliation of Revenue from operations with contract priced price. (INR in Lakhs)

Particulars	2021-22	2020-21
Contracted price	17,855.88	15,345.26
Less:- Sales Commission	91.11	101.99
Discounts	354.65	589.29
Net Revenue recognised from Contracts with Customers	17,410.12	14,653.98

E. Contract balances. (INR in Lakhs)

Particulars	2021-22	2020-21
The following table provides information about receivables, contract assets and contract liabilities from contracts with customers		
Trade receivables	3,411.64	3,274.53
Advances from customers (Refer Note no 22)	298.03	32.50
	3,709.67	3,307.03

25 OTHER INCOME (INR in Lakhs)

Particulars	2021-22	2020-21
Interest Income on Deposits	20.26	3.32
Foreign Exchange Gain (Net)	389.64	289.86
Dividend Income	0.44	0.11
Profit on Sale of Investments (Mutual fund)	19.59	83.61
Profit on Sale of Property Plant and Equipment	0.65	-
Mark to Market Gain on Investment	22.08	7.78
Other Income	6.04	4.67
Total Other Income	458.70	389.35

Notes to the Financial Statement for the year ended 31st March, 2022

26 COST OF MATERIALS CONSUMED

(INR in Lakhs)

Particulars	2021-22	2020-21
Raw Material Consumption		
Opening stock	15.61	11.48
Add: Purchases	9,888.54	7,224.02
Less: Closing stock	(38.44)	(15.61)
Total raw material consumed (a)	9,865.70	7,219.89
Packing Material Consumed		
Opening stock	514.49	568.85
Add: Purchases	1943.26	1,324.42
Less: Closing stock	(509.15)	(514.49)
Total packing material consumed (b)	1,948.60	1,378.18
Consumables Consumed		
Opening stock	21.73	19.10
Add: Purchases	83.20	75.02
Less: Closing stock	(21.63)	(21.73)
Total consumable consumed (c)	83.31	72.39
Total Cost of Materials Consumed (a + b + c)	11,897.61	8,671.06

27 CHANGES IN INVENTORIES OF FINISHED GOODS

(INR in Lakhs)

Particulars	2021-22	2020-21
<u>Inventories at the end of the year:</u>		
Finished goods - In Transit	4,975.02	3,649.00
Finished goods - At Factory	939.01	399.40
Total (A)	5,914.04	4,048.40
<u>Inventories at the beginning of the year:</u>		
Finished goods - In Transit	3,649.00	3,535.43
Finished goods - At Factory	399.37	729.89
Total (B)	4,048.37	4,265.32
Total changes in inventories of finished goods, stock in trade and work in progress (B)-(A)	(1,865.66)	216.92

28 EMPLOYEE BENEFIT EXPENSES

(INR in Lakhs)

Particulars	2021-22	2020-21
Salaries and Wages	1,343.77	1,319.97
Contribution to Provident and Other Funds(Refer Note 35)	59.40	44.42
Staff Welfare Expenses	26.28	17.48
Total Employee Benefit Expenses	1,429.45	1,381.86

Notes to the Financial Statement for the year ended 31st March, 2022
29 FINANCE COSTS
(INR in Lakhs)

Particulars	2021-22	2020-21
Interest costs on borrowings	61.07	77.07
Other borrowing costs	23.92	22.04
Payment of Lease liability	0.04	0.06
Total Finance Costs	85.04	99.18

30 DEPRECIATION AND AMORTISATION EXPENSES
(INR in Lakhs)

Particulars	2021-22	2020-21
Depreciation on property, plant and equipment (Refer note no. 4)	476.27	517.51
Amortisation on intangible assets (Refer note no. 5)	7.97	8.03
Depreciation of Right-of-Use Assets (Refer note no. 6)	0.19	1.79
Total Depreciation and Amortisation Expenses	484.43	527.33

31 OTHER EXPENSES
(INR in Lakhs)

Particulars	2021-22	2020-21
Power, Fuel & Water	360.22	255.94
Inward Transportation	189.20	167.73
Repairs & Maintenance on plant and machinery	192.04	100.34
Repairs & Maintenance on building	30.15	17.14
Testing Expenses	15.94	24.39
Procurement Expenses	115.83	99.91
Forwarding & Freight Charges	3,118.55	1,697.92
Rent Rates & Taxes	4.73	5.38
Insurance Expenses	38.97	38.28
Security Expenses	33.43	31.05
Travelling & Vehicle Expenses	33.00	17.15
Directors Sitting Fees	1.60	1.40
Corporate Social Responsibility(Refer Note 43)	34.41	1.41
Professional & Legal fees*	80.16	55.59
Bad Debts	0.09	2.49
Loss on Sale of Property Plant and Equipment	-	6.65
Others Expenses	557.58	323.26
Total Other Expenses	4,805.89	2,846.02

*** Payment to Auditors**
(INR in Lakhs)

Particulars	2021-22	2020-21
For statutory audit	10.00	8.50
For other services	3.00	2.50
Total	13.00	11.00

Notes to the Financial Statement for the year ended 31st March, 2022

32 TAX EXPENSES

(i) Tax Expense recognised in the Statement of Profit & Loss (INR in Lakhs)

Particulars	2021-22	2020-21
Current Tax Expenses		
Current tax on profits for the year	326.31	329.45
Adjustments for the current tax of prior periods	-	-
Total Current Tax Expenses(A)	326.31	329.45
Deferred Tax Expenses		
(Decrease)/Increase in deferred tax liabilities (Refer note no.35)	(29.87)	22.94
Total Deferred Tax Expenses(B)	(29.87)	22.94
Income Tax Expenses(A-B)	296.44	352.39

Tax Items of Other Comprehensive Income (INR in Lakhs)

Particulars	2021-22	2020-21
Deferred tax related to items recognised in OCI during the year:		
Income tax related to items that will not be reclassified to profit or loss	(1.56)	(0.62)
Income tax related to items that will be reclassified to profit or loss	(12.25)	15.83
Income tax charged to OCI	(13.82)	15.21

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

(INR in Lakhs)

Particulars	2021-22	2020-21
Profit before income tax	1,032.06	1,300.95
Tax using the Company's domestic tax rate 29.12% (Previous Year 29.12%)	300.54	378.84
Tax effect of:		
Difference between Book and Tax depreciation	7.14	18.51
Mark to Market (Gain)/Loss on forward contract	17.33	(62.53)
Effect of buy back expenses debited to Retained Earnings	(2.85)	(7.37)
Effect of Income which is taxed at special rates	1.14	0.22
Mark to Market (Gain)/Loss on Investment	(6.48)	(2.26)
Other impact	9.49	4.04
Total	326.31	329.45
Adjustment in respect of current income tax of previous year	-	-
Total Current Tax Expenses	326.31	329.45
Deferred tax expense reported in the statement of P&L	(29.87)	22.94
Income Tax Expenses	296.44	352.39

Notes to the Financial Statement for the year ended 31st March, 2022
33 FINANCIAL INSTRUMENTS FAIR VALUE AND RISK MEASUREMENTS
A. Financial instruments by category and their fair value
(INR in Lakhs)

As at 31st March 2022	Carrying amount				Fair value			Total
	FVTPL	FVTOCI	Amortised Cost	Total	Level-1 Quoted price in active markets	Level-2 Significant observable inputs	Level-3 Significant unobservable inputs	
Financial assets								
Non current investment	213.02	-	-	213.02	213.02	-	0.00	213.03
Current Investment	266.84	-	-	266.84	266.84	-	-	266.84
Loans current	-	-	11.73	11.73	-	-	-	-
Security and other deposits (Non current)	-	-	41.32	41.32	-	-	-	-
Derivatives not designated as hedges								
- Current								
Derivatives - Forward contract	12.39		-	12.39	-	12.39	-	12.39
Derivatives designated as hedges								
- Current								
Derivatives - Cross currency interest rate swap	-	6.30	-	6.30		6.30		6.30
Trade receivables	-	-	3,411.64	3,411.64	-	-	-	-
Cash and cash equivalents	-	-	501.82	501.82	-	-	-	-
Bank balances other than above	-	-	42.38	42.38	-	-	-	-
Total financial assets	492.25	6.30	4,008.89	4,507.44	479.86	18.69	0.00	479.86
Financial liabilities								
Borrowings	-	-		-	-		-	-
- Non current	-	-	599.00	599.00	-	-	-	-
- Current	-	-	1,801.74	1,801.74	-	-	-	-
Non current lease liabilities			5.86	5.86				
Current lease liabilities			2.42	2.42				
Other current financial liabilities	-	-	933.29	933.29	-	-	-	-
Trade Payable	-	-	4,323.09	4,323.09	-	-	-	-
Total financial liabilities	-	-	7,665.40	7,665.40	-	-	-	-

Notes to the Financial Statement for the year ended 31st March, 2022

33 FINANCIAL INSTRUMENTS FAIR VALUE AND RISK MEASUREMENTS

A. Financial instruments by category and their fair value

(INR in Lakhs)

As at 31st March 2021	Carrying amount				Fair value			Total
	FVTPL	FVTOCI	Amortised Cost	Total	Level-1 Quoted price in active markets	Level-2 Significant observable inputs	Level-3 Significant unobservable inputs	
Financial assets								
Non current investment	360.61	-	-	360.61	360.61	-	0.00	360.60
Current Investment	408.73	-	-	408.73	408.73	-	-	408.73
Loans current	-	-	5.90	5.90	-	-	-	-
Security and other deposits (Non current)	-	-	40.49	40.49	-	-	-	-
Derivatives not designated as hedges								
- Current								
Derivatives cross Currency interest rate swap	72.75		-	72.75	-	72.75	-	72.75
Trade receivables	-	-	3,274.53	3,274.53	-	-	-	-
Cash and cash equivalents	-	-	325.53	325.53	-	-	-	-
Bank balances other than above	-	-	291.30	291.30	-	-	-	-
Total financial assets	842.09	-	3,937.75	4,779.84	769.34	72.75	0.00	842.09
Financial liabilities								
Borrowings	-	-		-	-		-	-
- Non current	-	-	154.92	154.92	-	-	-	-
- Current	-	-	2,941.42	2,941.42	-	-	-	-
Derivatives designated as hedges								
- Non Current								
Derivatives-Cross currency interest rate swap	-	19.94	-	19.94		19.94		19.94
Other current financial liabilities	-	-	606.60	606.60	-	-	-	-
Trade Payable	-	-	3,318.32	3,318.32	-	-	-	-
Total financial liabilities	-	19.94	7,021.27	7,041.20	-	19.94	-	19.94

Fair value of financial assets and liabilities measured at amortised cost is not materially different from the amortised cost. Further, impact of time value of money is not significant for the financial instruments classified as current. Accordingly, the fair value has not been disclosed separately.

Notes to the Financial Statement for the year ended 31st March, 2022

Types of inputs for determining fair value are as under:

Level 1: This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares, and mutual fund investments. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

B. Measurement of fair values

i) Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Cross Currency Interest Rate Swap and Forward contracts	This instrument is valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include swap models, using present value calculations. The model incorporate various inputs including credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads, interest rate curve.
--	--

ii) Transfers between Levels 1 and 2

There have been no transfers between Level 1 and Level 2 during the reporting periods.

iii) Transfer out of Level 3

There were no movement in level 3 in either directions during the financial year ending on 31 March 2022 and 31 March 2021.

C. Financial risk management

The Company has a well-defined risk management framework. The Board of Directors of the Company has adopted a Risk Management Policy. The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk

(i) Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or fail to pay amounts due causing financial loss to the company. The potential activities where credit risks may arise include from cash and cash equivalents, derivative financial instruments and security deposits or other deposits and principally from credit

Notes to the Financial Statement for the year ended 31st March, 2022

exposures to customers relating to outstanding receivables. The maximum credit exposure associated with financial assets is equal to the carrying amount. Details of the credit risk specific to the company along with relevant mitigation procedures adopted have been enumerated below:

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base. Majority of the customers have been associated with the company for a considerable period of time. Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. Sale limits are established for each customer and reviewed regularly.

An impairment analysis is performed at each reporting date based on the facts and circumstances existing on that date to identify expected losses on account of time value of money and credit risk. The company reviews the receivables in light of their historical payment patterns and adjusts the same to estimate the expected loss on account of credit worthiness of the customer or delay in payments leading to loss of time value of money.

Other financial assets

Other financial assets includes loan to employees, security deposits, investments, cash and cash equivalents, other bank balance, derivative asset, advances to employees etc.

- Cash and cash equivalents and Bank deposits are placed with banks having good reputation and past track record with adequate credit rating.
- Investments are made in credit worthy mutual funds and Non Convertible Debentures.
- Derivative instrument comprises cross currency interest rate swaps and forward contracts where the counter parties are banks with good reputation, and past track record with adequate credit rating. Accordingly no default risk is perceived.
- Company has given security deposit to various government authorities (like Municipal corporation, Nagarpalika, Grampanchayat, etc.) . Being government authorities, the Company does not have exposure to any credit risk.
- Loan and advances to employees are majorly secured in nature and hence the Company does not have exposure to any credit risk.

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are proposed to be settled by delivering cash or other financial asset. The Company's financial planning has ensured, as far as possible, that there is sufficient liquidity to meet the liabilities whenever due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company's liquidity management policy involves periodic reviews of cash flow projections and considering the level of liquid assets necessary, monitoring balance sheet, liquidity ratios against internal and external regulatory requirements.

Exposure to liquidity risk

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

Notes to the Financial Statement for the year ended 31st March, 2022

(InR in Lakhs)

As at 31st March 2022	Carrying amount	Contractual maturities				
		Total	Less than 1 year	1-3 year	4-5 year	More than 5 year
Borrowings	-		-			
- Non current	599.00	599.00	-	599.00	-	-
- Current	1,801.74	1,801.74	1,801.74	-	-	-
Non current lease liabilities	5.86	5.86		5.86		
Current lease liabilities	2.42	2.42		2.42		
Other current financial liabilities	933.29	933.29	933.29	-	-	-
Trade Payable	4,323.09	4,323.09	4,323.09	-	-	-
Total	7,665.40	7,665.40	7,058.12	607.28	-	-

(InR in Lakhs)

As at 31st March 2021	Carrying amount	Contractual maturities				
		Total	Less than 1 year	1-3 year	4-5 year	More than 5 year
Borrowings	-		-			
- Non current	154.92	154.92	-	154.92	-	-
- Current	2,941.42	2,941.42	2,941.42	-	-	-
Other current financial liabilities	606.60	606.60	606.60	-	-	-
Derivatives designated as hedges						
Derivatives - cross Currency interest rate Swap	19.94	19.94	-	19.94	-	-
Trade Payable	3,318.32	3,318.32	3,318.32	-	-	-
Total	7,041.20	7,041.20	6,866.34	174.86	-	-

(iii) Market risk

Market risk is the risk that changes in market prices – such as currency risk, other price risk and interest rate risk – will affect the Company's income or the value of its holdings of financial instruments.

a. Foreign Currency risk

The functional currency of the company is Indian Rupees and its revenue is generated from operations in India as well as outside India through its exports and is therefore exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, EURO and GBP. Foreign exchange risk arises from highly probable forecast transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (INR). The risk is measured through

Notes to the Financial Statement for the year ended 31st March, 2022

sensitivity analysis. The primary objective for forex hedging against anticipated foreign currency risks will be to hedge the Company's highly probable foreign currency cash flows arising from such transactions (thus reducing cash flow and profit volatility). The Company does not enter into any derivative instruments for trading or speculative purposes.

The Company uses forward exchange contracts, to hedge the effects of movements in exchange rates on foreign currency denominated assets. The sources of foreign exchange risk are outstanding amounts payable for expenses denominated in foreign currency. The Company is also exposed to foreign exchange risk on its exports. These transactions are denominated in US dollars, EURO and GBP.

Derivative instruments and unhedged foreign currency exposure
(i) Foreign Exchange Forward Contracts outstanding as at the reporting date are as follows:

Particulars	Foreign Currency Denomination	As at March 31, 2022		As at March 31, 2021	
		Foreign Currency (in Lakhs)	MTM Gain/(Loss) (INR in Lakhs)	Foreign Currency (in Lakhs)	MTM Gain/(Loss) (INR in Lakhs)
Foreign Currency Forwards					
Not designated under Hedge Accounting					
Sell	EURO/INR	9.23	6.47	13.30	71.46
Sell	GBP/INR	-	-	9.54	1.29
Sell	USD/INR	10.00	5.93	-	-
Foreign Currency Swap					
Cross Currency Principal Only and Interest rate Swap	EURO/USD	(2.11)	6.30	(8.46)	(19.94)

(ii) Details of unhedged foreign currency exposure at the end of the reporting period expressed in INR in lakhs are as follows:

Unhedged Exposures	Foreign Currency Denomination	As at March 31, 2022		As at March 31, 2021	
		Foreign Currency (in Lakhs)	(INR in Lakhs)	Foreign Currency (in Lakhs)	(INR in Lakhs)
Trade Receivable / Goods in Transit	USD	12.51	948.26	16.97	1,247.20
Trade Payable	USD	11.49	870.69	4.40	323.38
EEFC account	USD	4.11	311.27	3.66	269.20
Trade Receivable / Goods in Transit	Euro	73.86	6,253.17	40.90	3,521.46
Trade Payable	Euro	3.06	259.29	2.48	213.50
EEFC account	Euro	1.66	140.53	0.02	1.71
Trade Receivable / Goods in Transit	GBP	7.39	736.12	7.32	738.85
EEFC account	GBP	0.38	37.97	-	-

Notes to the Financial Statement for the year ended 31st March, 2022
Foreign Currency Risk Sensitivity

The Company is mainly exposed to changes in USD, EURO & GBP. The below table demonstrates the sensitivity to a 5% increase or decrease in the USD, EURO and GBP against INR, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Company as at the reporting date. 5% represents management's assessment of reasonably possible change in foreign exchange rate.

A Change of 5% in foreign currency net of hedges would have following impact on profit before tax

(INR in Lakhs)

	Profit / (Loss)	
	5% increase	5% decrease
As At 31st March 2022		
USD	19.44	(19.44)
EURO	306.72	(306.72)
GBP	38.70	(38.70)
As At 31st March 2021		
USD	59.65	(59.65)
EURO	165.48	(165.48)
GBP	36.94	(36.94)

Impact of Hedging Activities
(a) Disclosure of effects of hedge accounting on financial position:
Cash flow hedge Foreign exchange risk 31st March 2022

(INR in Lakhs)

Particulars	Nominal Value	Carrying Amount of hedging Instrument	Hedge Ratio*	Changes in Fair value of hedging instrument	Change in the value of hedged item used as a basis for recognising hedge effectiveness
Foreign exchange risk- Forward contracts	-	-	-	-	-
Cross Currency Principal Only and Interest rate Swap	159.78	6.30	1:1	6.30	(6.30)

Notes to the Financial Statement for the year ended 31st March, 2022

Cash flow hedge Foreign exchange risk 31st March 2021

(INR in Lakhs)

Particulars	Nominal Value	Carrying Amount of hedging Instrument	Hedge Ratio*	Changes in Fair value of hedging instrument	Change in the value of hedged item used as a basis for recognising hedge effectiveness
Foreign exchange risk- Forward contracts	632.89	(0.85)	1:1	(0.85)	0.85
Cross Currency Principal Only and Interest rate Swap	621.62	(19.94)	1:1	(19.94)	19.94

* The foreign exchange forward are denominated in the same currency as the highly probable future sales, therefore the hedge ratio is 1:1.

(b) Disclosure of effects of hedge accounting on financial performance:

Cash flow hedge 31st March 2022

(INR in Lakhs)

Particulars	Change in the Value of the hedging instrument recognised in other comprehensive income	Hedge Ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line Item affected in the statement of profit and loss because of the reclassification
Foreign exchange risk- Forward contracts	(0.85)	-	(0.85)	Revenue
Cross Currency Principal Only and Interest rate Swap	26.56	-	0.33	Revenue

Notes to the Financial Statement for the year ended 31st March, 2022
Cash flow hedge 31st March 2021
(INR in Lakhs)

Particulars	Change in the Value of the hedging instrument recognised in other comprehensive income	Hedge Ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line Item affected in the statement of profit and loss because of the reclassification
Foreign exchange risk - Forward contracts	(2.97)	-	(3.82)	Revenue
Cross Currency Principal Only and Interest rate Swap	(60.70)	-	(8.44)	Revenue

Movements in cash flow hedging reserve
(INR in Lakhs)

Derivative Instruments	Foreign Currency Risk As at March 31, 2022	Foreign Currency Risk As at March 31, 2021
Balance at the beginning of the period	(4.27)	43.56
Gain (Loss) recognised in Other Comprehensive Income during the year	25.72	(63.67)
Deferred tax relating to the above	(12.25)	15.83
Balance at the end of the period	9.19	(4.27)

Other Price Risk

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. Other price risk arises from financial assets such as investments in equity instruments. The Company is mainly exposed to the price risk due to its investments in equity mutual fund recognised at FVTPL. As at 31st March, 2022, the carrying value of the investments in units amounts to Rs. NIL (Rs. 7.08 Lakhs as at 31st March, 2021) & in alternative investment fund amounts to Rs. 266.84 lakhs (Rs. 401.66 Lakhs as at 31st March, 2021). The details of such investments in units & in alternative investment fund is given in Note 7. The price risk arises due to uncertainties about the future market values of these investments.

The Company is mainly exposed to change in market rates of its investments in equity mutual funds recognised at FVTPL. A sensitivity analysis demonstrating the impact of change in market prices of these instruments from the prices existing as at the reporting date is given below:

(INR in Lakhs)

	effect on Profit / (Loss)		effect on Equity	
	1% increase	1% decrease	1% increase	1% decrease
As At 31st March 2022				
Value of equity shares increases / decreases by 50 basis points	-	-	0.07	(0.07)
NAV value of mutual fund increases / decreases by 50 basis points	-	-	4.02	(4.02)

Notes to the Financial Statement for the year ended 31st March, 2022
Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

As disclosed above, The interest rate exposure on floating rate Foreign Currency Loan has been fully hedged through a pay fixed – receive floating cross currency interest rate swap. Since there are no financial assets or financial liabilities which are at floating interest rate, there is no interest risk.

(INR in Lakhs)

Variable-rate instruments	As at March 31, 2022	As at March 31, 2021
Non current - Borrowings	599.00	154.92
Current portion of Long term borrowings	154.77	465.92
Total	753.77	620.84

Notes to the Financial Statement for the year ended 31st March, 2022
34 CAPITAL MANAGEMENT

The Company defines capital as total equity including issued equity capital, share premium and all other equity reserves attributable to equity holders of the Company (which is the Company's net asset value). The primary objective of the Company's financial framework is to support the pursuit of value growth for shareholders, while ensuring a secure financial base.

The capital structure is monitored on the basis of net debt to equity and maturity profile of overall debt portfolio of the Company.

Net Debt and Equity is given in the table below :

(INR in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Total Shareholders' Equity as reported in Balance Sheet	8,358.12	7,835.08
Net Debt		
Short Term Borrowings	1,646.97	2,475.50
Long Term Borrowings (including current portion of long term debt)	753.77	620.84
Gross Debt	2,400.74	3,096.34
Less:		
Current Investments	266.84	408.73
Non Current Investments	213.02	360.61
Cash and Bank Balances	544.20	616.83
Net debt	(1,376.68)	(1,710.17)
Total Capital	6,981.44	6,124.91

35 : EMPLOYEE BENEFITS
Post - employment benefits :

The Company has the following post-employment benefit plans:

1) Defined benefit gratuity plan

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 employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The scheme is funded with LIC in the form of qualifying insurance policy.

As per Actuarial Valuation as on 31st March, 2022 and 31st March, 2021 and recognised in the financial statements in respect of Employee Benefit Schemes:

A. Amount recognised in the Balance Sheet

(INR in Lakhs)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Gratuity:		
Present value of plan liabilities	155.39	144.72
Fair value of plan assets	138.89	125.87
Deficit/(Surplus) of funded plans	16.51	18.84
Unfunded plans	-	-
Net plan liability/ (Asset)	16.51	18.84

Notes to the Financial Statement for the year ended 31st March, 2022

B. Movements in plan assets and plan liabilities

(INR in Lakhs)

Particulars	Year ended 31st March, 2022			Year ended 31st March, 2021		
	Plan Assets	Plan Liabilities	Net	Plan	Plan Liabilities	Net
GRATUITY						
As at 1st April	125.87	144.72	18.84	119.98	132.04	12.06
Current service cost	-	13.07	13.07	-	11.13	11.13
Interest Income	7.00		(7.00)	7.16		(7.16)
Interest cost	-	7.78	7.78	-	7.50	7.50
Past Service Cost	-	-	-	-	-	-
Liability transferred In / Acquisitions	-	-	-	-	-	-
Liability transferred Out / Divestments	-	-	-	-	-	-
Gains/Losses on Curtailment	-	-	-	-	-	-
Liabilities Extinguished on Settlement	-	-	-	-	-	-
Benefits Paid directly by the Employer	-	-	-	-	-	-
The Effect of Changes in Foreign Exchange Rates	-	-	-	-	-	-
Return on plan assets excluding Interest Income	(0.24)	-	0.24	0.64	-	(0.64)
Actuarial loss/(gain) due to change in financial assumptions	-	(8.09)	(8.09)	-	5.05	5.05
Actuarial loss/(gain) due to change in demographic assumption	-	-	-	-	-	-
Actuarial loss/ (gain) due to experience adjustments	-	2.23	2.23	-	(6.64)	(6.64)
Contribution by the Employer	10.56	-	(10.56)	2.47	-	(2.47)
Expected Contributions by the Employees	-	-	-	-	-	-
Benefits paid from the Fund	(4.31)	(4.31)	-	(4.37)	(4.37)	-
Assets distributed on Settlements	-	-	-	-	-	-
Effects of Asset Ceiling	-	-	-	-	-	-
As at 31st March	138.89	155.39	16.51	125.87	144.72	18.84

Notes to the Financial Statement for the year ended 31st March, 2022
C. Amount recognised in the Statement of Profit and Loss as Employee Benefit Expenses
(INR in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
GRATUITY		
Current service cost	13.07	11.13
Net interest cost	0.78	0.35
Past Service Cost	-	-
Net impact on the Profit / (Loss) before tax	13.85	11.48
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding Interest Income	(0.24)	0.64
Actuarial gains/(losses) on obligation For the Period	-	-
Actuarial gains/(losses) arising from changes in financial assumption	8.09	(5.05)
Actuarial gains/(losses) arising from changes in demographic assumption	-	-
Experience gains/(losses) arising on experience adjustments	(2.23)	6.64
Net Gain/(Loss) recognised in the Other Comprehensive Income	5.62	2.23

D. Assets **(INR in Lakhs)**

Particulars	As at 31st March, 2022	As at 31st March, 2021
GRATUITY		
Policy of Insurance	138.89	125.87
TOTAL	138.89	125.87

E. Assumption

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows: **(INR in Lakhs)**

Particulars	As at 31st March, 2022	As at 31st March, 2021
GRATUITY:		
Discount Rate	6.95%	6.35%
Salary Escalation Rate	5.00% p.a	5.00% p.a
Withdrawal Rate	2.00%	2.00%
Mortality rate	Indian assured lives mortality (2006-08) Ultimate	Indian assured lives mortality (2006-08) Ultimate
Expected rate of return on plan assets	6.95%	6.35%

Notes to the Financial Statement for the year ended 31st March, 2022
F. Sensitivity

The sensitivity of the defined benefit obligation to changes in the weighted key assumptions are:

(INR in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
GRATUITY:		
Discount Rate	0.50%	0.50%
Salary Escalation Rate	0.50%	0.50%

The above sensitivity analysis may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same method as that applied in calculating the projected benefit obligation as recognized in the balance sheet.

G Expected cashflows based on past service liability after year end 31st March, 2022 as follows:

(INR in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
GRATUITY:		
2022		44.26
2023	46.18	3.88
2024	4.79	6.49
2025	8.34	3.33
2026	3.87	3.73
2027	8.14	-
Thereafter	48.33	46.91

2) Defined contribution plans

The Company also has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is Rs. 36.05 Lakhs (31st March, 2021 Rs. 23.76 Lakhs).

Notes to the Financial Statement for the year ended 31st March, 2022
36 DEFERRED TAX LIABILITIES (NET)
(INR in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Deferred Tax Liabilities		
Property, plant and equipment - difference between value of assets as per book base and tax base	480.41	498.95
Difference in carrying value and tax base of investments measured at FVTPL	8.30	2.16
Unrealised gain on outstanding on cross currency interest rate swap	1.75	-
Unrealised loss on outstanding on forward contract	3.45	20.24
Total Deferred Tax Liabilities (A)	493.91	521.35
Deferred Tax Assets		
Unrealised gain on outstanding on cross currency interest rate swap	-	5.55
Provision for employee benefits	4.59	5.24
Total Deferred Tax Assets (B)	4.59	10.79
Net Deferred Tax Liabilities (A-B)	489.32	510.56
Less: MAT Credit	5.28	75.48
Net Deferred Tax Liabilities	484.04	435.08

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Notes to the Financial Statement for the year ended 31st March, 2022

(i) Movements in Deferred Tax Liabilities (net)

(INR in Lakhs)

Particulars	Property, plant and equipment - difference between value of assets as per book base and tax base	Unrealised Gain/(Loss) on outstanding on forward contract	Unrealised gain on outstanding on cross currency interest rate swap	Expenditure covered by section 43B of Income Tax Act, 1961	Provision for employee benefits	Difference in carrying value and tax base of investments measured at FVTPL	Net Deferred Tax Liabilities
At 1st April 2020	540.90	(40.49)	9.41	(3.47)	(3.51)	-	502.84
Charged/(credited)							
- to profit or loss	(41.95)	61.61	-	3.47	(2.35)	2.16	22.94
- to other comprehensive income	-	(0.88)	(14.96)	-	0.62	-	(15.21)
At 31st March 2021	498.95	20.24	(5.55)	(0.00)	(5.24)	2.16	510.56
Charged/(credited)							
- to profit or loss	(18.54)	(16.55)	-	-	(0.91)	6.14	(29.87)
- to other comprehensive income		0.24	7.30		1.56		8.63
At 31st March 2022	480.41	3.45	1.75	(0.00)	(4.59)	8.30	489.32

37 SEGMENT INFORMATION

(a) Description of segment and principal activities

The Company's Board of Directors monitors the operating results of the below business segments separately for the purpose of making decisions about resource allocation and performance assessment and has identified two reportable segments of its business:

1. Fresh fruits: The Company's principal business which consist of Fresh Grapes, Pomegranates and Mangoes.
2. Processed fruits and vegetables: It consist of Mango pulp, Guava Pulp, Pomegranates concentrate and Puree and cold processed juice.

(b) Segment revenue and expenses

Revenue and Expenses have been identified to a segment on the basis of operating activities of the segment. Revenue and Expenses which relate to common activities and are not allocable to segment on reasonable basis have been disclosed as "Unallocable".

(c) Segment assets and liabilities

Segment assets include all operating assets in respective segments comprising of net fixed assets, Capital Work in Progress, current assets, loans and advances. Segment liabilities include operating liabilities and provisions including borrowings and deferred tax liabilities.

(d) Information about geographical areas

The Company has identified its geographical segments as India and Outside India.

(e) Information about major customers

Revenue from three of the customers of the Company's Fresh Fruits business is Rs. 5190.44 Lakhs and two customers of the Company's Processing Business is Rs.1525.22 which is more than 10% each of the Company's total segment revenue, for the year ended 31 March 2022.

Notes to the Financial Statement for the year ended 31st March, 2022

Revenue from two of the customers of the Company's Fresh Fruits business is Rs. 1843.46 Lakhs which is more than 10% each of the Company's total segment revenue, for the year ended 31 March 2021.

(f) Information about product and services

The Company's revenue from external customers for each product is same as that disclosed below under "segment revenue".

(INR in Lakhs)

Particulars	2021-22				2020-21			
	Fresh Fruits	Processed Fruits & Vegetables	Un-allocated	Total	Fresh Fruits	Processed Fruits & Vegetables	Un-allocated	Total
Segment Revenues								
External Revenue	11,111.72	6,298.39	-	17,410.12	10,398.18	4,255.79	-	14,653.98
Inter Segment Revenue	-	-	-	-	-	-	-	-
Total Segment Revenue	11,111.72	6,298.39	-	17,410.12	10,398.18	4,255.79	-	14,653.98
Segment Results								
Profit/(Loss)								
Segment result	1,594.05	(114.66)	-	1,479.39	1,958.09	(228.88)	-	1,729.21
Other income	-	-	60.88	60.88	-	-	93.24	93.24
Finance Cost	-	-	(85.04)	(85.04)	-	-	(99.18)	(99.18)
Unallocated expenses	-	-	(423.17)	(423.17)	-	-	(422.33)	(422.33)
Profit before tax	1,594.05	(114.66)	(447.33)	1,032.06	1,958.09	(228.88)	(428.26)	1,300.95
Current tax			(326.31)	(326.31)			(329.45)	(329.45)
Deferred tax			29.87	29.87			(22.94)	(22.94)
Profit after tax	1,594.05	(114.66)	(743.77)	735.62	1,958.09	(228.88)	(780.65)	948.56
Other information								
Depreciation and amortisation	100.05	372.80	11.58	484.43	139.87	379.46	8.00	527.33
Cost to acquire Fixed Assets (incl. CWIP)	5.41	337.30	1.89	344.60	88.84	34.88	55.83	179.55

(INR in Lakhs)

Segments Assets**	As at 31st March, 2022	As at 31st March, 2021
Fresh Fruits	10,461.47	8,727.45
Processed Fruits & Vegetables	5,597.34	5,142.51
Unallocated	839.73	1,597.95
Total	16,898.54	15,467.91

Notes to the Financial Statement for the year ended 31st March, 2022

(INR in Lakhs)

Segments Liabilities**	As at 31st March, 2022	As at 31st March, 2021
Fresh Fruits	6,872.26	5,712.68
Processed Fruits & Vegetables	1,065.10	1,302.08
Unallocated	603.05	618.07
Total	8,540.42	7,632.83

** Segment assets and liabilities are measured in same way as in the financial statements. They are allocated based on the operations of the segment.

Geographical segment

(INR in Lakhs)

Revenue from External Customers	As at 31st March, 2022	As at 31st March, 2021
In India	1,505.89	1,099.60
Outside India	15,612.02	13,207.29
Total	17,117.92	14,306.89

(INR in Lakhs)

Carrying Amount of Segment Assets	As at 31st March, 2022	As at 31st March, 2021
In India	13,647.54	12,404.27
Outside India	3,251.00	3,063.64
Total	16,898.54	15,467.91

(INR in Lakhs)

Segment Capital Expenditure	As at 31st March, 2022	As at 31st March, 2021
In India	344.60	179.55
Outside India	-	-
Total	344.60	179.55

- (i) Revenue from outside india comprises of income from sale of products.
- (ii) Carrying amount of segment assets comprises of non-current assets and current assets identified to the respective segments. However Segments assets in India also includes certain common assets used to generate revenue in both segments but not feasible of allocation.
- (iii) Capital expenditure during the year represents net additions to Tangible and Intangible assets and movement in Capital work in progress.

Notes to the Financial Statement for the year ended 31st March, 2022
38 RELATED PARTY DISCLOSURES

As per the Indian Accounting Standard-24 on "Related Party Disclosures", list of related parties identified of the Company are as follows.

1) Names of related parties and nature of relationship.
a) Key Management Personnel

Mr. Ashok V. Motiani	- Chairman and Managing Director
Mrs. Nanita A. Motiani	- Executive Director
Mr. Mayur Shah	- Independent Director
Mr. Dinesh Oza	- Independent Director (Upto 1st April 2021)
Mr. Anil Sharma	- Independent Director
Mr. Ramchandra Joshi	- Independent Director
Mr. Ashok Murajani	- Independent Director (Appointed w.e.f. 29th June 2021)
Mr. Sanjay D. Prajapati	- Chief Financial Officer
Mr. Ronak Dhruve	- Company Secretary (Resigned w.e.f. 31st May 2021)
Mr. Rohit Rawat	- Company Secretary (Appointed w.e.f. 1st July 2021)

b) Relatives of Key Management Personnel

Mrs. Priyanka Tandon
Mr. Mayank Tandon
Ms. Dipti Motiani

c) Enterprise under significant influence of Key Management personnel

Freshcap Foodstuff LLP
Puretrop Foods Pvt. Ltd.
Freshfal Pvt. Ltd. (Strike off order dated 30/09/2021)

2) Transactions with related parties:
(INR in Lakhs)

Particulars	Relationship	2021-22	2020-21
Remuneration			
Ashok Motiani	KMP	163.16	144.00
Nanita Motiani	KMP	58.00	60.00
Mayank Tandon	Relative of KMP	60.00	60.00
Priyanka Tandon	Relative of KMP	60.00	60.00
Dipti Motiani	Relative of KMP	60.00	60.00
Sanjay Prajapati	KMP	11.25	10.43
Rohit Rawat	KMP	2.54	-
Ronak Dhruve	KMP	0.61	4.05
Commission Paid			
Ashok Motiani	KMP	23.16	23.00
Interest Paid			
Ashok Motiani	KMP	0.14	15.13
Nanita Motiani	KMP	0.13	-
Loan Taken			
Ashok Motiani	KMP	118.00	1.00
Nanita Motiani	KMP	40.00	-
Loan Repaid			
Ashok Motiani	KMP	118.00	201.00
Nanita Motiani	KMP	40.00	-

Notes to the Financial Statement for the year ended 31st March, 2022

(INR in Lakhs)

Particulars	Relationship	As at 31st March, 2022	As at 31st March, 2021
Director sitting fees			
Mayur Shah	Independent Director	0.40	0.40
Anil Sharma	Independent Director	0.40	0.40
Ramchandra Joshi	Independent Director	0.40	0.40
Ashok Murajani	Independent Director	0.40	0.20
Amount Payable as Other Current Liabilities			
Ashok Motiani	KMP	30.78	35.70
Nanita Motiani	KMP	9.66	10.27
Mayank Tandon	Relative of KMP	3.29	3.71
Priyanka Tandon	Relative of KMP	3.26	3.47
Dipti Motiani	Relative of KMP	3.40	3.52
Sanjay Prajapati	KMP	0.66	0.78
Rohit Rawat	KMP	0.28	-
Ronak Dhruve	KMP	-	0.30

Executive Directors compensation

(INR in Lakhs)

Particulars	2021-22	2020-21
Short term employee benefits	244.31	227.00
Post employment benefits	-	-
Total Compensation *	244.31	227.00

* This aforesaid amount does not includes amount in respect of gratuity and leave as the same is not determinable.

Notes to the Financial Statement for the year ended 31st March, 2022
39 CONTINGENT LIABILITIES & COMMITMENTS
a) Contingent Liabilities
(INR in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Disputed matters in appeals/contested in respect of:		
- Service tax	432.44	432.44
- income tax	32.26	32.26
Estimated amount of Custom/Excise duty liability in respect of Capital Goods purchased without payment of duty under EPCG Scheme	120.00	21.68
Estimated amount of duty liability on stock of duty free materials	23.89	16.12
Bank Guarantees	25.00	25.00

b) Capital Commitments
(INR in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Estimated amount of Contracts remaining to be executed on Capital Account and not provided for, Net off Advances.	3.20	-

Notes to the Financial Statement for the year ended 31st March, 2022

40. Information in respect Micro, Small and Medium Enterprises Development Act, 2006; Company had sought confirmation from the vendors whether they fall in the category of Micro/Small/Medium Enterprises. Based on the information available, the required disclosures are given below:

(INR in Lakhs)

Particulars		As at 31st March, 2022	As at 31st March, 2021
a.	Principal and interest amount remaining unpaid	-	-
b.	Interest due thereon remaining unpaid	-	-
c.	Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	-	-
d.	Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
e.	Interest accrued and remaining unpaid	-	-
f.	Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-
		-	-

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the year or on balance brought forward from previous year.

41. EARNING PER SHARE

(INR in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Earning Per Share has been computed as under:		
Profit after tax as per Statement of Profit and Loss (A)	735.62	948.56
Weighted average number of equity shares outstanding (B)	10715868	11137245
Earnings per share in rupees (Face Value-10 per share)	6.86	8.52

Notes to the Financial Statement for the year ended 31st March, 2022
42. LEASES

The Company's leasing arrangements are in respect of operating leases for premises (Office, godown, factory etc.). These lease arrangements range for a period between 11 months and 5 years. Most of the lease agreements are renewable for further period on mutually agreeable terms.

(i) Movement in Lease Liabilities during the year (INR in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balance as at 1st April, 2021	-	1.87
Addition during the year	8.49	-
Finance Costs incurred during the year	0.04	0.06
Payments of Lease Liabilities	(0.25)	(1.94)
Balance as at 31st March 2022	8.29	-

(ii) Lease Liabilities as at March 31, 2022 (INR in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Non- Current Lease Liabilities	5.86	-
Current Lease Liabilities	2.42	-
Total lease Liability	8.28	-

(iii) Amount recognised in Statement of Profit & loss Account during the year.
(INR in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Finance Cost	0.04	0.06
Depreciation on Right of use Assets	0.19	1.79
Expenses relating to Short-term Leases and low value assets	4.73	5.38
Total Expenses	4.97	7.23

Notes to the Financial Statement for the year ended 31st March, 2022

43. CORPORATE SOCIAL RESPONSIBILITY

A. Gross amount required to be spent by the Company during the year 2021-22: 23.49 Lakhs (Year 2020-21: Rs. 23.64 Lakhs)

B. Amount spent during the year on: (INR in Lakhs)

PARTICULARS	Year 2021-22			Year 2020-21		
	In Cash*	Yet to be paid in Cash	TOTAL	In Cash*	Yet to be paid in Cash	TOTAL
(i) Construction/Acquisition of any asset	-	-	-	-	-	-
(ii) For purposes other than (i) above	34.41	-	34.41	23.91	-	23.91
	34.41	-	34.41	23.91	-	23.91
C. Related party transactions in relation to Corporate Social Responsibility			Nil			Nil

* Represents actual outflow during the year of Rs. 34.41 lakhs out of which Rs. 10 lakhs spent from unspent CSR account balance of last year.

(INR in Lakhs)

D. PARTICULAR	Opening Balance	Amount required to be spent during the year	Amount spent during the year	Amount transferred	Closing Balance
Details of excess amount spent	-	23.49	24.41	-	(0.92)

- E. (i) The Company does not carry any provisions for Corporate social responsibility expenses for current year and previous year.
- (ii) The Company wishes to carry forward excess amount of Rs.0.92 spent during the year.
- (iii) The Company does not have any ongoing projects as at 31st March, 2022.

Notes to the Financial Statement for the year ended 31st March, 2022
44. FINANCIAL RATIOS

Sr.	Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for variance
1	Current ratio	Current Assets	Current Liabilities	1.53	1.39	9.68%	
2	Debt-equity ratio	Total Debt (Borrowings)	Total Equity	0.29	0.40	-27.32%	Decrease was primarily due to decrease in borrowings
3	Debt service coverage ratio	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest (excluding interest on lease liabilities) + Other non-cash adjustments	Debt service = Interest (excluding interest on lease liabilities) + Lease Payments + Repayments of borrowings	2.43	2.72	-10.81%	
4	Return on equity ratio	Profits after tax	Average Total Equity	9.09%	12.64%	-28.15%	Decrease was primarily due to decrease in profit after tax
5	Inventory turnover ratio	Revenue from operations	Average Inventory	3.14	3.09	1.45%	
6	Trade receivables turnover ratio	Revenue from operations	Average Trade Receivable	5.21	4.48	16.35%	
7	Trade payables turnover ratio	Net Purchases of raw material, packing material and Stores & Spares	Average Trade Payables	3.12	2.16	44.52%	Increase was primarily due to increase in purchases
8	Net capital turnover ratio	Revenue from operations	working capital (Total current assets - Total current liabilities)	4.41	5.29	-16.59%	
9	Net profit ratio	Profit after tax	Revenue from operations	4.23%	6.47%	-34.73%	Decrease was primarily due to decrease in profit after tax
10	Return on capital employed	Profit before interest (excluding interest on lease liabilities), and tax	Capital employed = Total Equity + Total Debt + Deferred tax liabilities	9.72%	12.12%	-19.80%	
11	Return on investment	Income generated from invested funds	Average of investments	8.42%	12.74%	-33.89%	Decrease was primarily due to redemption of Mutual Funds & Deposits

Notes to the Financial Statement for the year ended 31st March, 2022
45. RELATIONSHIP WITH STRUCK OFF COMPANIES

Below struck off companies are equity shareholders of the Company as on the Balance Sheet date

Sr. No.	Name of struck off Company	No. of shares held	Paid-up as at 31/03/2022	Paid-up as at 31/03/2021
1	TRADE STATION SECURITIES PVT.LTD	518	5180	5180

46. ADDITIONAL REGULATORY REQUIREMENT
i) TITLE DEEDS

The title deeds of all the Immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Company as at the balance sheet date.

ii) REVALUATION OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

The Company has not undertaken any revaluation of Property Plant & Equipments / Intangible assets during the year.

iii) DETAILS OF BENAMI PROPERTY

The company does not hold any benami property as defined under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder. No proceeding has been initiated or pending against the company for holding any benami property.

iv) BORROWINGS OBTAINED ON THE BASIS OF SECURITY OF CURRENT ASSETS

Quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.

v) WILFUL DEFAULTER

The Company is not declared wilful defaulter by any bank or financial institution or lender.

vi) REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES

The Company does not have any charges or satisfaction of charges which is yet to be registered with Registrar of Companies beyond the statutory period.

vii) UTILISATION OF BORROWED FUNDS/ADVANCES

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

viii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

Notes to the Financial Statement for the year ended 31st March, 2022

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
- (b) (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

ix) UNDISCLOSED INCOME

The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

x) DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

- xi)** The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.

As per our report of even date attached

For, F P & Associates

Chartered Accountants
FRN: 143262W

(F. S. Shah)

Partner

M.No. 133589

Place : Ahmedabad

Date : May 28,2022

For and on behalf of the Board of Directors

(Ashok Motiani)

Managing Director
DIN 00124470

(Nanita Motiani)

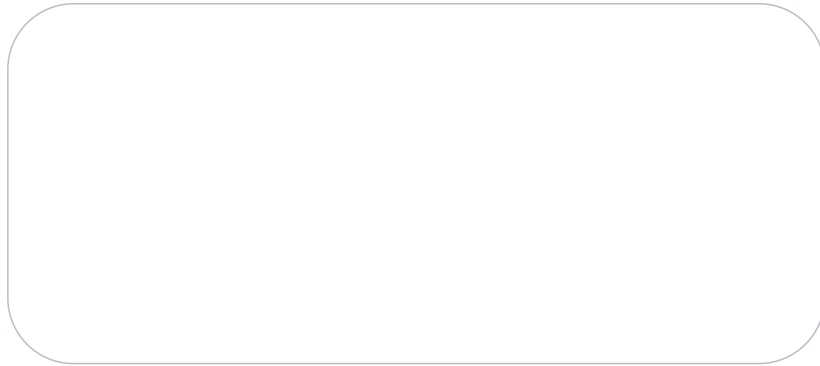
Executive Director
DIN 00787809

(Sanjay Prajapati)

Chief Financial officer



To,



If undelivered, please return to:

FRESHTROP FRUITS LIMITED

CIN: L15400GJ1992PLC018365
Regd. Office: A-603, Shapath IV,
Opp. Karnavati Club, S.G. Road,
Ahmedabad - 380 015, Gujarat, INDIA.
Tel: +91-79-40307050-57 (8 lines),
www.freshtrop.com, info@freshtrop.com