

10TH ANNUAL REPORT

2021-22





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Company Overview

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

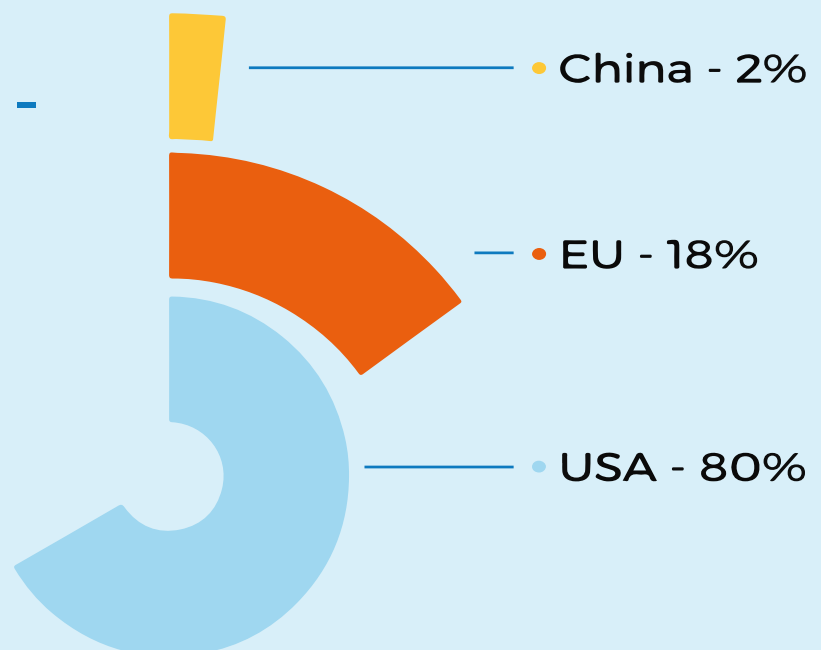
With a combined breeding capacity of 1.2 to 1.4 billion Specific Pathogen Free (SPF) seed in its hatcheries; over 29,000 MTPA of owned Processing capacity and about 3,500 MT of Cold Storage capacity, the Company is a well-integrated player with presence across key areas of the Shrimp-processing value chain.

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

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



Key Export Markets - Fiscal 2022



Product Offering - Moving up the Value Chain

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

Share of value-added Ready-to-Eat product
grew to 20% from 15% last year

Ready-to-Eat (RTE)

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



Specialty Product

- Butterfly
- Skewered
- Seasoned



Peeled Product

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



Base product

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



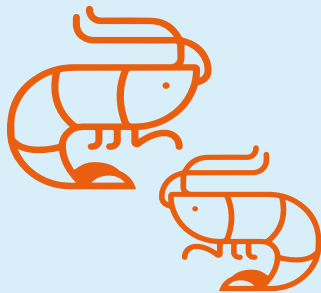
Manufacturing Facilities – Strategically Located



Shrimp Processing

Capacity of 29,240 MTPA across two processing plants

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



Shrimp Seed - Hatchery

Capacity of 1.2 to 1.4 billion SPF seed across three hatcheries



Andhra Pradesh accounts for

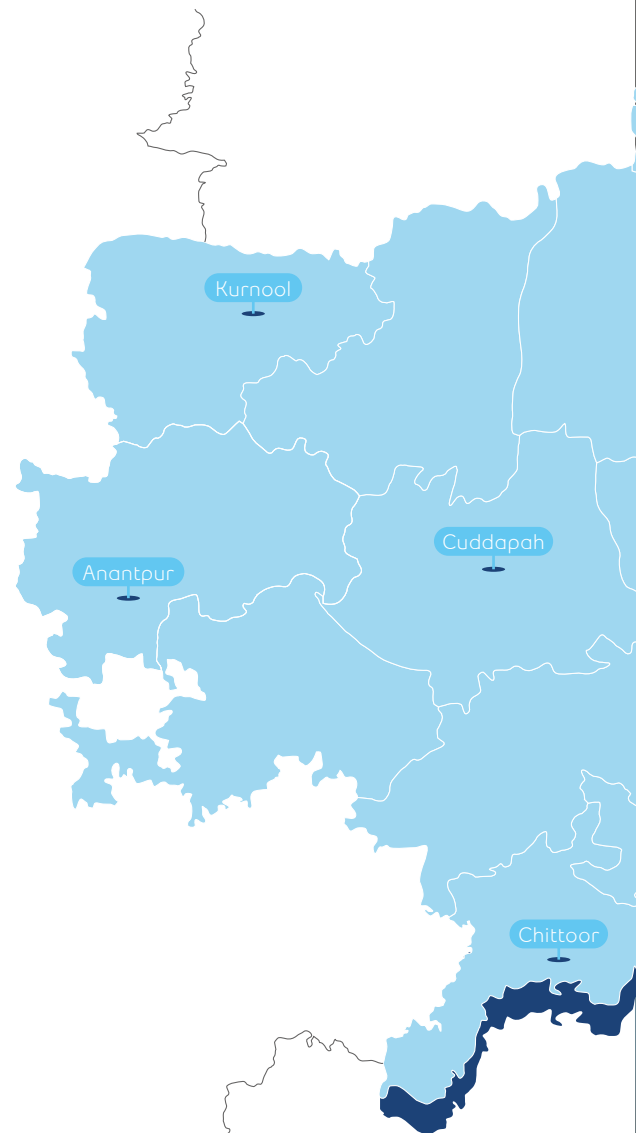
60-65%

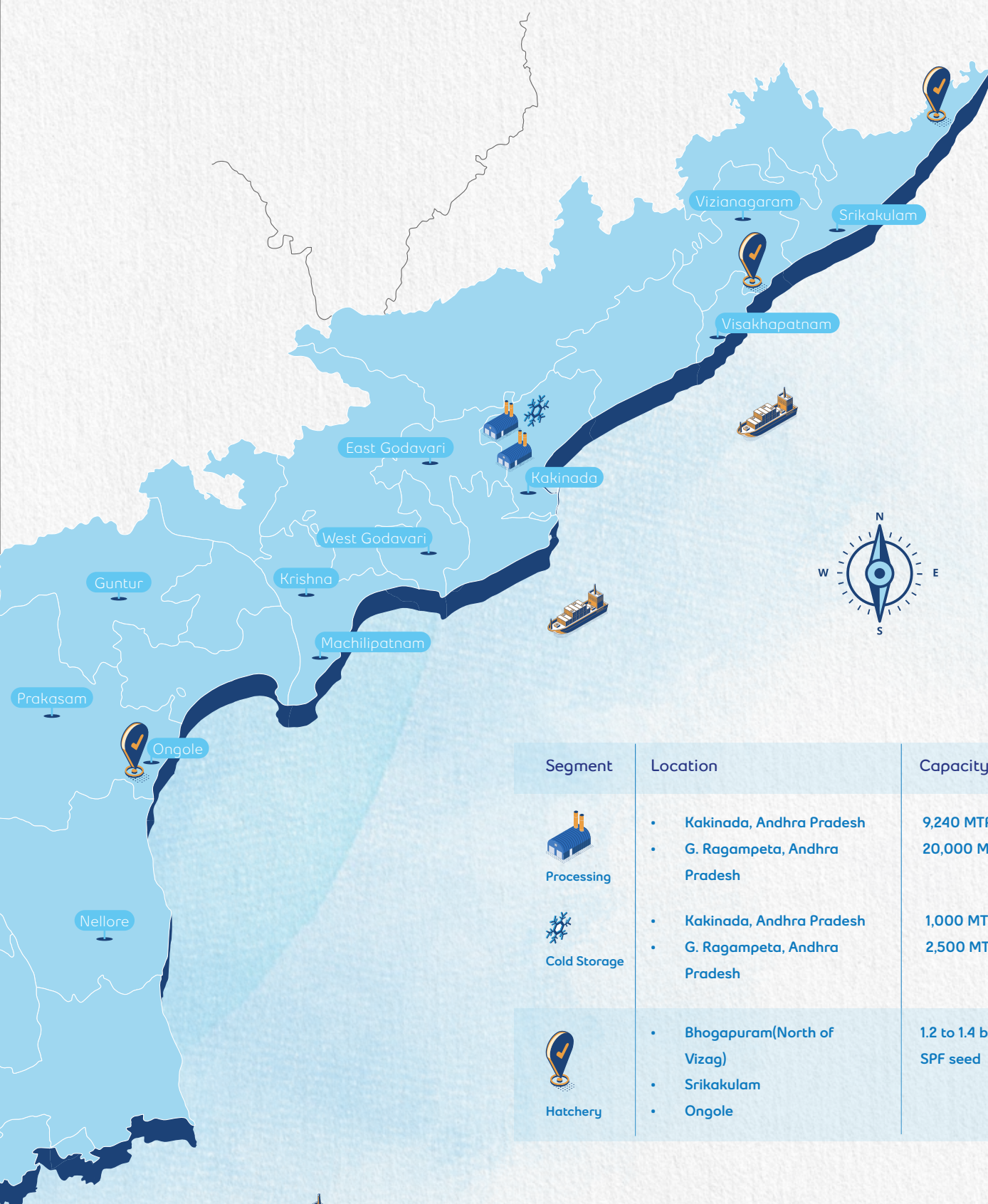
of the total shrimp farming in India

Our facilities are in proximity to one another, enabling

smooth transition

of products to the next stage





| Segment | Location | Capacity |
|---|--|-----------------------------|
|  Processing | <ul style="list-style-type: none"> Kakinada, Andhra Pradesh G. Ragampeta, Andhra Pradesh | 9,240 MTPA 20,000 MTPA |
|  Cold Storage | <ul style="list-style-type: none"> Kakinada, Andhra Pradesh G. Ragampeta, Andhra Pradesh | 1,000 MT 2,500 MT |
|  Hatchery | <ul style="list-style-type: none"> Bhogapuram(North of Vizag) Srikakulam Ongole | 1.2 to 1.4 billion SPF seed |



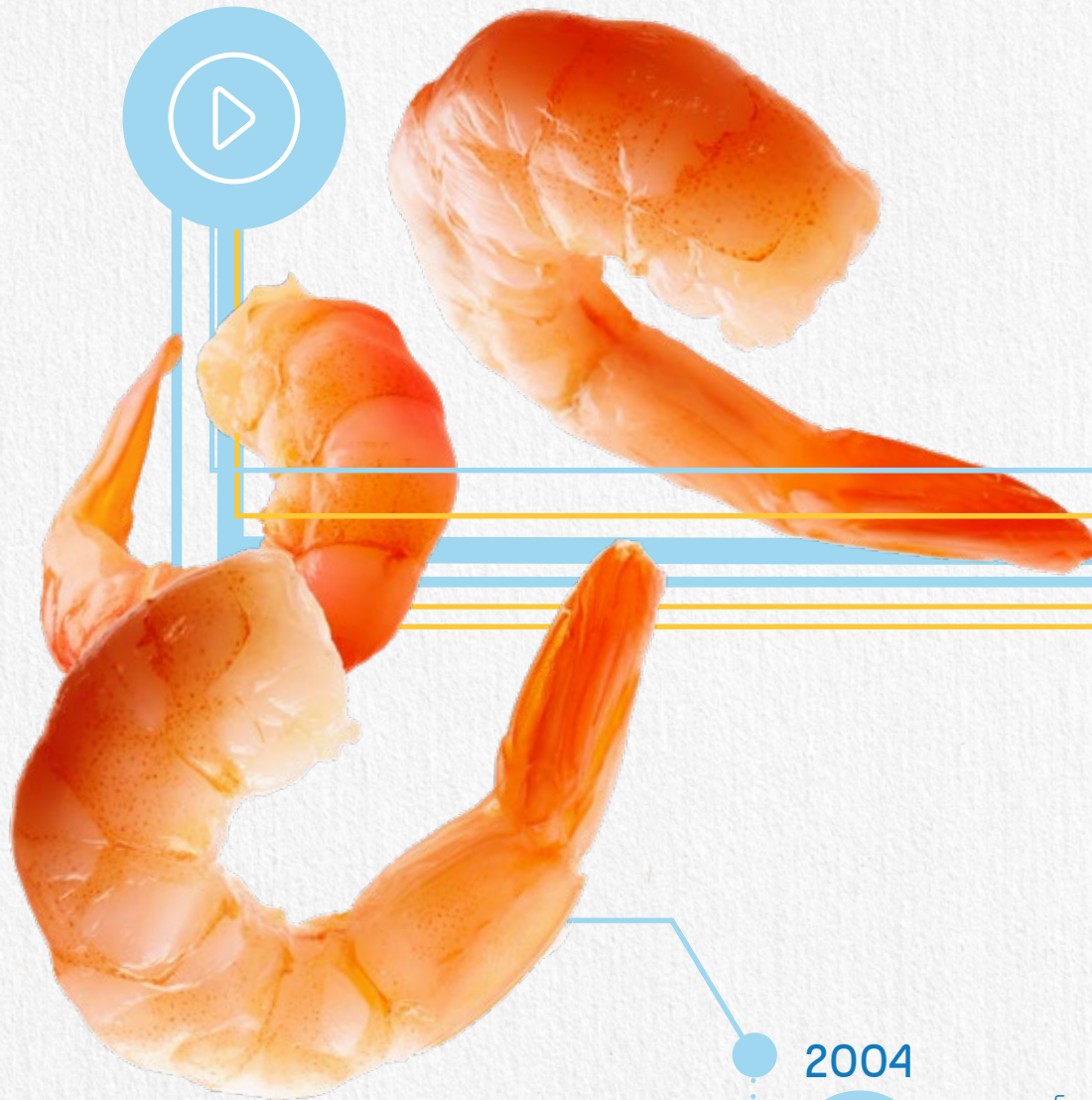
Our processing plants are located close to key ports
(almost 150 kms from Vishakapatnam Port and almost 20 kms from Kakinada Port)



KEY MILESTONES IN OUR JOURNEY SO FAR

1995

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



2006



Started exports to EU.

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

2004



Set up our own processing facility at Kakinada.

Started exports to USA.

2020-22



Launched and expanded sales of high value-added 'Ready-to-Eat' products from the new processing plant

Hatchery expansion at Ongole completed, awaiting commissioning

Exited out of farming operations



2013-14

Started in-house farming.

Initiated hatchery operations and enhanced processing capacity.

2015 -17



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

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

IPO and Listing on BSE & NSE in Sep 17



2018-20



Added two new Hatcheries in Andhra Pradesh

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

Expanded presence in China market

2007-12



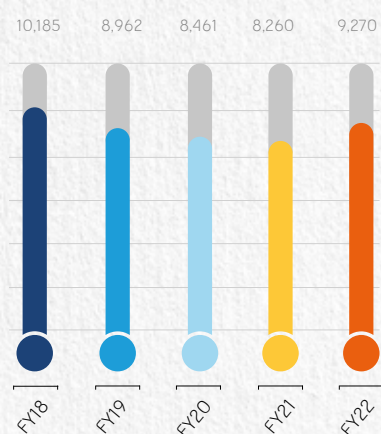
Received certifications from multiple agencies on processes and quality

Recognised as a star export house by DGFT.

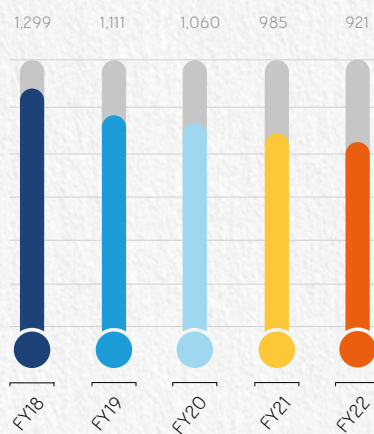
Converted into a Pvt. Ltd. Co. named Apex Frozen Foods Pvt. Ltd.

Key Performance Indicators

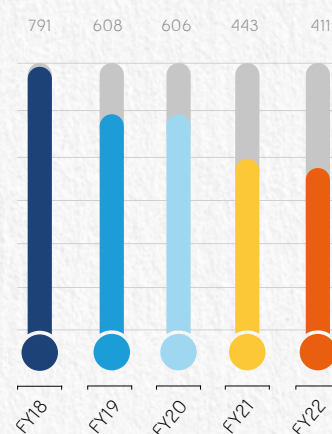
Total Income (Rs mn)



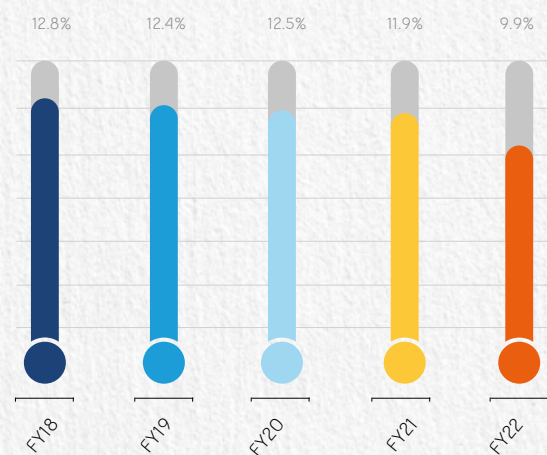
EBITDA (Rs mn)



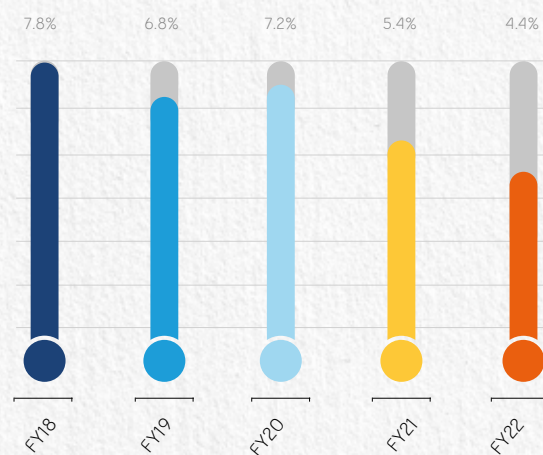
Profit After Tax (Rs mn)



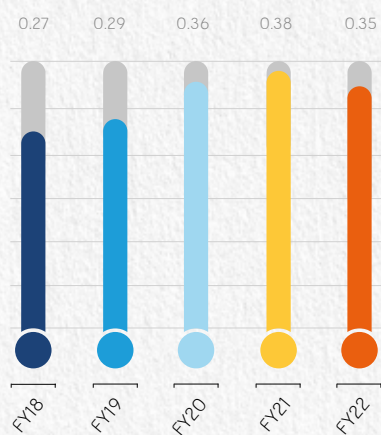
EBITDA Margin (%)



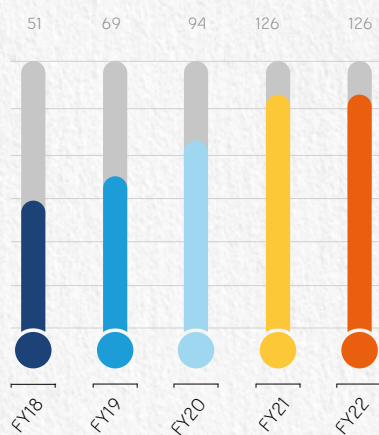
PAT Margin (%)



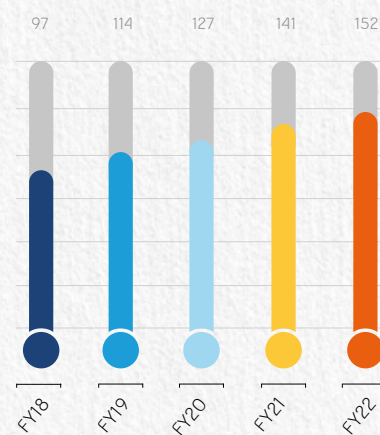
Debt/Equity (times)



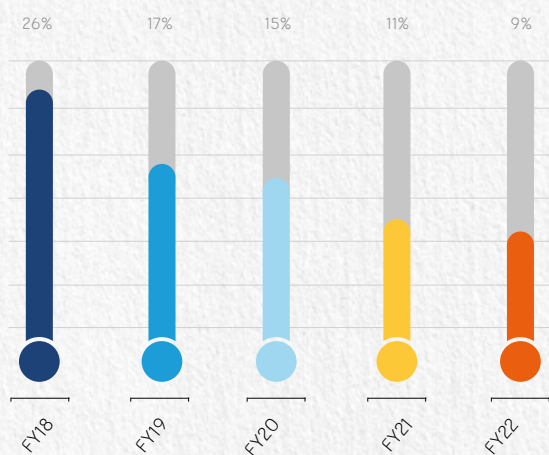
Working Capital (days)



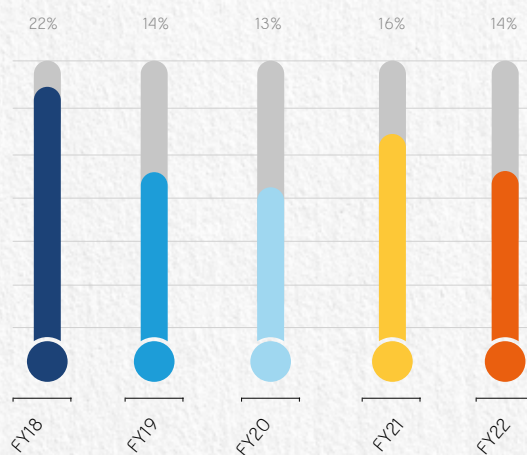
Book Value (Rs/share)



Return on Network (%)



Return on Capital Employed (%)



The Chairman's Message

For Fiscal 2022, we benefited from our strategic focus on value-added RTE products whose share increased to almost 20% versus almost 15% in the previous fiscal of our total shrimp sales.

Dear Shareholders,

For the past two years, the world has seen a great number of upheavals in the form of a global pandemic and resultant disruptions, geopolitical tensions, supply chain disruptions and a generally challenging period for companies to operate in. In the face of this environment, we are happy to report that our Company has ensured continuity of operations while recalibrating our operations to make the best of these challenging times. Our customers, suppliers, employees and stakeholders continue to repose their trust in us and have helped us navigate to a position of strength.

Industry trends

While Fiscal 2022 started on a sombre note in India with the second wave of Covid, the rest of the year charted a path to normalcy. Major segments such as HORECA that were operating on truncated schedules, especially in our export markets of USA and European Union, in the previous financial year returned to full operations. Exports of marine

products were at an all-time high of US\$7.7bn. This trend was also reflected in the demand for processed shrimp. On the raw material side, production remained stable – aided by local, state and central governments' initiatives to support during the pandemic. Further, shrimp prices have been firming up and this has enthused the entire supply chain.

The key component of our sales cycle – refrigerated containers, however, continued to be a challenge and as a result, we were not able to capitalise on the increased demand to the extent that it was available. As a result of the shortage, freight costs saw a sharp increase for the industry. However, we have seen an improvement in the situation in the first months of the new financial year and are hopeful that this will ease out.

Well-calibrated Operations

For Fiscal 2022, we benefitted from our strategic focus on value-added RTE products whose share increased to almost 20% versus 15% in the previous fiscal of our total shrimp sales. Our net revenue grew by 12% YoY in Fiscal 2022, mainly on the back of robust growth in realization on account of higher margin RTE products as well as and stable shrimp prices, globally. This growth is important because the RoDTEP that replaced the MEIS Scheme has reduced the export incentives for us and our revenues for Fiscal 2022 only contain a small portion of the RoDTEP.

While our new facility is geared for higher levels of production, volume growth was at 3% to 12,067 MT underscoring the challenges that we highlighted earlier. The Ready-to-Eat segment performed well and posted a 39% YoY growth to 2,364 MT of sales. On the back of the visibility for the forthcoming years, we are now planning to expand the 5,000 MTPA of the RTE capacity at our existing plant to 10,000 MTPA that is estimated to be commissioned by end of Fiscal 2023. With 3,500 MT of cold storage, our entire operations are now running optimally, and we are optimistic about the forthcoming year.



The Road Ahead:

Our key focus in the recent past been on completion of our capex cycle as well as recalibrating our product mix to ensure higher margin products take on a higher component of our sales. While Covid put a dampener on our trajectory, it also strengthened our relationship with our customers and a testament to this is that the reimbursement of additional freight cost that we received from some of our customers during the Fiscal 2022. We will build on this trust in the forthcoming year and continue our three-pronged approach.

Better capacity utilisation

Increasing our sales with existing and new customers to enhance capacity utilisation and resultant operating efficiencies.

Better product mix

continue to focus on higher margin value added and RTE products.

Better profitability

by continuing to work on realisations as well as our cost centres and finance costs.

We are confident that our Company will perform to the expectations that our Shareholders, Bankers, Employees, Customers and Partners, all of whom have been strong pillars of support for us. We humbly express our gratitude to all our stakeholders. We continue to be enthused by the support that we as a Company as well as the sector in general have received from the local, state and central governments.

We are confident that we will continue to generate positive returns for our stakeholders as we remain focused on being a responsible corporate citizen.



We are happy to report that our Company has ensured continuity of operations while recalibrating our operations to make the best of these challenging times. Our customers, suppliers, employees and stakeholders continue to repose their trust in us and have helped us navigate to a position of strength.

K Satyanarayana Murthy,
Chairman and Managing Director



Corporate Information

Board of Directors

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

Key Managerial Personnel

| | |
|----------------------------|---|
| Mr. Ch. Vijay Kumar | Chief Financial Officer (Resigned w.e.f 31.05.2022) |
| Ms. S. Sarojini | Company Secretary & Compliance officer |

Registered office

Apex Frozen Foods Limited

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

Statutory Auditors

M/s. Boda Ramam & Co.
Chartered Accountants
2-18-24/1, Madhav Nagar,
Kakinada - 533003,
Andhra Pradesh

Secretarial Auditors

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

Share transfer agents

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

Audit Committee

| | |
|--------------------------------|----------|
| Mr.Govindareddy Krishnamoorthy | Chairman |
| Mr.B.Raghavulu Naidu | Member |
| Mr. K. Subrahmanya Chowdary | Member |
| Mrs. Deepthi Talluri | Member |

Nomination and Remuneration Committee

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

Stakeholders' Relationship Committee

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

Corporate Social Responsibility Committee

| | |
|-----------------------------------|----------|
| Mrs. Neelima Devi Karuturi | Chairman |
| Mr. Satyanarayana Murthy Karuturi | Member |
| Mr. Raghavulu Naidu | Member |

Risk management Committee

| | |
|--------------------------------|----------|
| Mr.K.Satyanarayana Murthy | Chairman |
| Mr.K.Subrahmanya Chowdary | Member |
| Mr.Govindareddy Krishnamoorthy | Member |
| Mr.B.Raghavulu Naidu | Member |
| Mrs. D.S. Madhavi | Member |
| Mr.P.Durga Prasad | Member |

Bankers

1.Bank of India

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

2.HDFC Bank

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





Directors' Report

To,
The Members

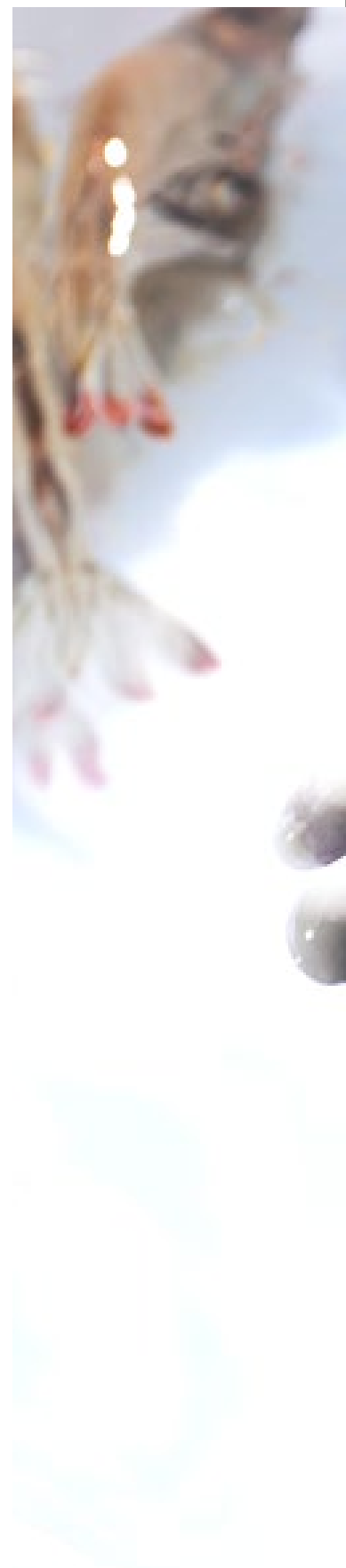
Your Directors have pleasure in presenting the 10th Annual Report together with the Audited Financial Statements for the Financial Year ended 31st March, 2022.

Financial Results

The performance of the Company for the financial year ended 31st March, 2022, is summarized below:

(Rs. in lakhs)

| Particulars | 2021-22 | 2020-21 |
|--|------------------|------------------|
| Revenue from Operations | 91,420.28 | 81,848.41 |
| Other income | 1,279.47 | 752.84 |
| Total Income | 92,699.75 | 82,601.25 |
| Profit Before Interest, Depreciation & Tax (EBITDA) | 9,209.92 | 9,846.47 |
| Interest | 1,737.76 | 1,591.51 |
| Depreciation | 1,851.01 | 2,194.55 |
| Profit before Tax | 5,621.15 | 6,060.21 |
| Current Tax | 1,414.86 | 1,525.36 |
| Deferred Tax | 98.22 | 106.33 |
| Total Tax Expenses | 1,513.08 | 1,631.99 |
| Net Profit for the period after tax | 4,108.07 | 4,428.52 |
| Earnings per share | 13.15 | 14.17 |







914 Cr
TOTAL INCOME



10 %
OPERATING PROFIT MARGIN



Overview of financial performance

During the year under review, your company has reported total income including net revenue and other income at Rs. 92,699.75 Lakhs as against Rs. 82,601.25 Lakhs in the previous year.

At the EBITDA level, the company reported a profit of Rs. 9,209.92 Lakhs for the current year as compared with Rs. 9,846.47 Lakhs in the previous year. Profit after tax for the current year stood at Rs. 4,108.07 Lakhs as compared with Rs. 4,428.52 Lakhs in the previous year.

Dividend

The Board has recommended a dividend of 2.50/- per Equity Share of 10.00/- each (25% of face value) for the year ended March 31, 2022. This payment is subject to your approval at the ensuing 10th Annual General Meeting of the Company.

In view of the changes made under the Income Tax Act, 1961, by the Finance Act, 2020, dividend paid or distributed by the Company shall be taxable in the hands of the shareholders. Your Company shall, accordingly, make the payment of the dividend after deduction of tax at source.

Pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has approved and adopted the Dividend Distribution Policy and the same is available on the Company's website viz. <https://apexfrozenfoods.in/wp-content/uploads/2021/12/dividend-distribution-policy.pdf>.

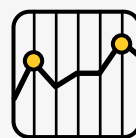
Transfer of unclaimed dividend to investor education and protection fund

In accordance with the provisions of Sections 124 and 125 of the Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividends of a company which remain unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account shall be transferred by the company to the Investor Education and Protection Fund ("IEPF").

In terms of the foregoing provisions of the Act, There are no amounts due to be credited to Investor Education and



41.1 Cr
PROFIT AFTER TAX



13.15
EARNING PER SHARE

Protection Fund in accordance with Section 125 of the Companies Act, 2013, as at the year end.

Material changes and commitments

There were no material changes and commitments affecting the financial position of the Company that have occurred between the end of the Financial Year 2021-22 of the Company and the date of the report.

Transfer to reserves

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

Fixed deposits

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

Share capital

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

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

(a) Change in the capital structure of the Company

There was no change in the capital structure of the company

(b) Status of Shares

As the members are aware, the Company's shares are compulsorily tradable in electronic form. As on March 31, 2022, 99.99% of the Company's total paid up capital representing 3,12,49,990 shares are in dematerialized form.

(c) Other shares

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

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

During the year under review,

- Mr. Mantena Lakshmi pathi Raju (DIN: 07717931) has resigned as Director (Non-Executive, Independent) of the company w.e.f. 05.06.2021.
- Mr. Datla Venkata Subba Raju (DIN: 07717952) has resigned as Director (Non-Executive, Independent) of the company w.e.f. 05.06.2021.
- Mr. B. Raghavulu Naidu (DIN: 09158333) has appointed as an Additional Director (Non-Executive, Independent) for a period of 5 years w.e.f. 04.06.2021 & Regularised his appointment as Director (Non – Executive, Independent) at Annual General Meeting held on 22.09.2021.
- Mr. Govindareddy Krishnamoorthy (DIN 09208749) has appointed as an Additional Director (Non-Executive, Independent) for a period of 5 years w.e.f. 22.06.2021 & Regularised his appointment as Director (Non – Executive, Independent) at Annual General Meeting held on 22.09.2021.
- In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mrs. Karuturi Neelima Devi (DIN 06765515), Whole time Director of the Company, will retire by rotation at the ensuing Annual General Meeting and being eligible, has offered herself for re-appointment. The Board recommends her re-appointment.
- Mr. Ch. Vijay Kumar, Chief Financial Officer of the Company has resigned w.e.f 31.05.2022.

Key managerial personnel:

The following persons functioned as Key Managerial Personnel during the year:

| | |
|---------------------------|-------------------------|
| Mr.K.Satynarayana Murthy | - Managing director |
| Mr.K Subrahmanya Choudary | - Executive director |
| Mrs. K.Neelima Devi | - Whole time Director |
| Mr. Ch. Vijay Kumar, | - CFO (till 31.05.2022) |
| Mrs. S Sarojini | - Company Secretary |

Board Meetings:

During the financial year, the Board met 5(Five) times on 22.06.2021, 25.06.2021, 14.08.2021, 13.11.2021 and 14.02.2022. The meeting details are provided in the corporate



governance report that forms part of this Annual Report.

Committees of the Board

Audit Committee

The Audit Committee was constituted pursuant to the Board meeting held on 27.01.2017 and reconstituted w.e.f 01.01.2022. The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013.

The members of the Audit Committee as on 31.03.2022 are as follows:

- Mr. Govindareddy Krishnamoorthy -Chairman
- Mr. B.Raghavulu Naidu -Member
- Mrs.Deepthi Talluri -Member
- Mr. K.Subramanya Chowdary -Member

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

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

Meeting of Independent Directors

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

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

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

Familiarisation Programme for Independent Directors

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

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

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

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

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

Policy for Annual evaluation of board performance and performance of its committees and directors is available at www.apexfrozenfoods.in

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

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

Vigil Mechanism / Whistle Blower Policy

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

Risk Management Policy

Risk management is embedded in your Company's operating framework. Your Company believes that managing risks helps in maximizing returns. The

Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating risks and reporting mechanism of such risks. The risk management framework is reviewed periodically by the Board and the Audit Committee.

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

Risk Management Committee

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

Related Party Transactions

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

The policy on Related Party Transactions as approved by the Board is uploaded on the website of the Company at <https://apexfrozenfoods.in/>

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

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

Credit rating

The details of credit ratings obtained by the Company and any revision thereto are disclosed in the Corporate Governance Report, which forms part of the Annual Report.

Directors' Responsibility Statement

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

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- ii. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii. they have taken proper and sufficient care for the

maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- iv. they have prepared the annual accounts on a going concern basis;
- v. they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Information about Subsidiary / Joint Ventures / Associate Companies

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

Annual Return

Pursuant to the provisions of Section 92(3) and Section 134(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, the Annual Return of the Company as on 31st March, 2022 is available on the Company's website and can be accessed at www.apexfrozenfoods.in

Annual Secretarial Compliance Report

A Secretarial Compliance Report for the financial year ended 31st March, 2022, on compliance of all applicable SEBI Regulations and circulars / guidelines, will be submitted to the stock exchanges within 60 days of the end of the financial year. M/s. A.S.Ramkumar & Associates, Company Secretaries were engaged to issue the same.

Secretarial Standards

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

Corporate Governance Report

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



Auditors

a) STATUTORY AUDITORS

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

The Board recommends the appointment of M/s Padmanabhan Ramani & Ramanujan, Chartered Accountants, Chennai, (Firm Reg.No. 002510S), as Statutory Auditors to hold office for a period of 5 years from conclusion of this 10th Annual General Meeting until the conclusion of 15th Annual general meeting.

Your company has received intimation to the effect that, proposed appointment, if made would be within the prescribed limits of applicable provisions of the Companies Act, 2013.

b) INTERNAL AUDITORS

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

c) SECRETARIAL AUDITORS

The Board has appointed M/s. A.S Ram Kumar and Associates, Company Secretaries in Practice, to carry the Secretarial Audit under the provisions of section 204 of the Companies Act, 2013 for the financial year 2021-22. The Report of the Secretarial Auditor is annexed to this report as Annexure – V

Extract of Observations:

1. The company has given the prior intimation of 1 working day in advance instead of at least 2 working days in advance for the date of board meeting held on 25 June 2021 to Stock Exchange for considering the declaration/ recommendation of the dividend.
2. The listed entity is yet to obtain the Directors and Officers insurance ('D and O insurance') for the directors.
3. We observed that the gap between the two board meetings held on 11 February 2021 and 25 June 2021 exceeded the maximum gap of 120 days. Although the MCA has given the exemption for the time gap amid

COVID pandemic vide General Circular No. 08/2021, there is no specific circular from SEBI relaxing the time gap of 120 days and hence included in the report.

Explanation by the Company:

1. In view of COVID, the company was working with limited staff and hence, couldn't submit the prior intimation to the stock exchange before the due date.
2. Due to administrative reasons, Our company couldn't obtain the Directors and Officers insurance ('D and O insurance') for the directors before 31.03.2022. It will obtain D and O insurance.
3. MCA vide General Circular No. 08/2021 dated May 03, 2021 has extended the gap between two board meetings under section 173 of the Companies Act, 2013 to 180 days for the quarters, April- June 2021 & July- September 2021 instead of 120 days. SEBI vide Circular No. SEBI/HO/CFD/CMD1/P/CIR/2021/556 dated April 29, 2021 also has provided relaxation from compliance with certain provisions of SEBI (LODR) Regulations, 2015 including the extended deadline for submitting Quarterly financial results / Annual audited financial results till June 30, 2021 under Regulation 33(3). Accordingly, the board and audit committee was convened as per the SEBI extension and the MCA circular although there is no specific circular from SEBI relaxing the time gap of 120 days.

Delay/violation in complying above compliances were unintentional, inadvertent and without any malafide intention and we undertakes to comply in time henceforth.

Auditor's Report

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

Comments on Auditor Report

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

Reporting of frauds by auditors

There are no frauds on or by your Company, as reported by the Statutory Auditors of your Company.

Disclosure under Sexual Harassment of Women at Workplace

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

Redressal) Act, 2013.

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

Corporate Social Responsibility (CSR)

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

The Company has a Corporate Social Responsibility

Policy and the same has been posted on the website of the Company at www.apexfrozenfoods.in

Business Responsibility Report

Pursuant to the Regulation 34 of the SEBI Listing Regulations, Business Responsibility Report for the year ended 31st March, 2022 is provided separately and annexed to the Directors' Report as "Annexure-IV".

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

Conservation of energy:

I. The steps taken or impact on conservation of energy:

- Voltage frequency drives have been installed in machinery there by 20% power saving has been done.
- Lighting in the processing unit and cold storage have been changed to LED from tube lights.

II. The steps taken by the company for utilizing alternate sources of energy: Solar water heaters have been installed in place of electrical

heaters. Solar security fencing has been done in place of electrical fencing.

III. The capital investment on energy conservation equipment's; NIL

Technology absorption: NOT APPLICABLE

Foreign Exchange Earnings and Outgo:

(Rs. in Lakhs)

| Particulars | Year ended 31.03.2022 | Year ended 31.03.2021 |
|------------------------------|--------------------------|--------------------------|
| Earnings in Foreign Exchange | 79,429.60 | 73,372.18 |
| Foreign Exchange Outgo | 40.92 | 57.48 |



Particulars of Employees

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

Management Discussion and Analysis Report

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

Internal Control Systems & their Adequacy

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

Maintenance of Cost Records

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

Significant and material orders passed by the regulators or courts

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

Human resources

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

Appreciation

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

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

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

Place: Panasapadu, Kakinada
Date: 23.05.2022

Sd/-
K Subrahmanya Chowdary
Executive Director
DIN 03619259

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

Report on Corporate Governance

1. Company's Philosophy on Code of Governance

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

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

2. Board of Directors

Size of the Board

The composition of Board is in consonance with the requirements of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As on 31st March, 2022, Board of the Company consisted of Six (6) Members. The Company has Three (3) Promoter Executive Directors (including women director), out of which one director is the Chairman & Managing director and Three (3) Non Executive Independent Directors (including Women director).

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

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

i. Composition and category of Directors

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

*Mr. Govindareddy Krishnamoorthy has appointed as an Additional Director (Non Executive, Independent) w.e.f. 22.06.2021 & and regularised at AGM held on 22.09.2021.

**Mr.B. Raghavulu Naidu has appointed as an Additional Director (Non Executive, Independent) w.e.f. 04.06.2021 & and regularised at AGM held on 22.09.2021.



ii. Number of other board of directors or committees in which a directors is a member or chairperson as on 31.03.2022:

| Sl. No. | Name of the Director | *No. of other Companies in which he/she is Director | **No. of Committees Chairpersonship / Membership (including this company) | |
|---------|---------------------------------|---|---|-------------|
| | | | Member | Chairperson |
| 1 | Mr.K.Satyanarayana Murthy | 2 | 1 | 0 |
| 2 | Mr.K.SubrahmanyaChowdary | 2 | 1 | 0 |
| 3 | Mrs.K. Neelima Devi | 1 | 1 | 0 |
| 4 | Mr. B. Raghavulu Naidu | 1 | 1 | 1 |
| 5 | Mr. Govindareddy Krishnamoorthy | 1 | 0 | 1 |
| 6 | Mrs.DeepthiTalluri | 1 | 1 | 0 |

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

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

iii. Attendance of Directors at the Board Meetings held during FY 2021-22 and Annual General meetings held during the year 2021-22:

During the Financial Year 2021-22 the Board met Five times on i.e. 22.06.2021, 25.06.2021, 14.08.2021, 13.11.2021 and 14.02.2022. The gap between any two meetings is not more than 120 days.

| Directors | Category | Meetings held during the tenure of the Directors | Meetings Attended | Attendance at the last AGM |
|---------------------------------|---|--|-------------------|----------------------------|
| Mr.K.Satyanarayana Murthy | Chairman & Managing Director- Promoter | 5 | 5 | Yes |
| Mr.K.Subrahmanya Chowdary | Executive Director- Promoter | 5 | 5 | Yes |
| Mrs.K.Neelima Devi | Whole time director -Promoter- Women Director | 5 | 5 | Yes |
| Mr. B. Raghavulu Naidu | Director (Non-Executive, Independent) | 5 | 5 | Yes |
| Mr. Govindareddy Krishnamoorthy | Director (Non-Executive, Independent) | 5 | 5 | Yes |
| Mrs Deepthi Talluri | Director (Non-Executive, Independent) | 5 | 5 | No |

iv. Relationship among directors

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

v. Code of conduct

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

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

viii. Meeting of Independent Directors

In Compliance with the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Independent Directors Meeting of the Company was held on 12.03.2022. Independent Directors Meeting considered the performance of Non-Independent Directors and Board as whole, reviewed the performance of Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board.

Attendance of Independent Directors in Independent Directors Meeting

| Name of the Director | No. of meetings held | No. of meetings attended |
|---------------------------------|----------------------|--------------------------|
| Mrs. Deepthi Talluri | 1 | 1 |
| Mr. Govindareddy Krishnamoorthy | 1 | 1 |
| Mr. B. Raghavulu Naidu | 1 | 1 |

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

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

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

Mr.D. Venkata Subba Raju & Mr. M. Lakshmipathi Raju, Independent Directors were resigned w.e.f 05.06.2021.

vi. Independent directors

Mrs. Deepthi Talluri, Mr. Govindareddy Krishnamoorthy and Mr. B. Raghavulu Naidu are Non-Executive Independent Directors of the company as on 31.03.2022.

vii. Details of Familiarisation Programmes Imparted to Independent Directors

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

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

As per the resignation letter received from Mr. Datla Venkata Subba Raju,, Independent Director and the resignation is due to his present professional engagements and other personal reasons.

Further they both confirmed that there are no other material reasons other than those provided.



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

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

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

*Mr. Govindareddy Krishnamoorthy has appointed as an Additional Director (Non Executive, Independent) w.e.f. 22.06.2021 & Mr.B.Raghavulu Naidu has appointed as an Additional Director (Non Executive, Independent) w.e.f. 04.06.2021, their appointments were regularised at AGM held on 22.09.2021

3. Committees of the Board

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

(i). Audit committee

In compliance with the requirements of the Companies Act, 2013 and of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted an Audit Committee on 27.01.2017 and re-constituted on 01.01.2022. Composition of Audit committee as on 31.03.2022 is as follows:

| | | |
|---------------------------------|---|----------|
| Mr. Govindareddy Krishnamoorthy | - | Chairman |
| Mr. B.Raghavulu Naidu | - | Member |
| Mrs. Deepthi Talluri | - | Member |
| Mr. Subrahmanya Chowdary | - | Member |

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

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

Powers of the Audit Committee shall include the following

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

Audit Committee shall mandatorily review the following information:

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

Composition Audit Committee as on 31.03.2022 and Attendance of Members at the Meetings of the Audit Committees held during 2021-22:

| Sl. No. | Name of the Member | Category | Designation | No of Meetings held during the tenure of the members | Meetings attended |
|---------|---------------------------------|---------------------------------------|-------------|--|-------------------|
| 1 | Mr. Govindareddy Krishnamoorthy | Director (Non-Executive, Independent) | Chairman | 4 | 3 |
| 2 | Mr. B.Raghavulu Naidu | Director (Non-Executive, Independent) | Member | 4 | 4 |
| 3 | Mrs. Deepthi Talluri | Director (Non-Executive, Independent) | Member | 1 | 1 |
| 4 | Mr. Subrahmanya Chowdary | Executive Director | Member | 4 | 4 |

The Audit Committee of the Company has met Four (4) times during the year i.e., on 23.06.2021, 12.08.2021, 13.11.2021 and 14.02.2022.



(ii) Nomination and Remuneration Committee (NRC)

In compliance with the requirements of the Companies Act, 2013 and of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted Nomination and Remuneration Committee on 27.01.2017 and re-constituted on 22.06.2021. Composition of Nomination and Remuneration Committee as on 31.03.2022 is as follows:

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

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

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

Composition of NRC as on 31.03.2022 and Attendance of Members at the Meetings of the NRC held during 2021-22

| Sl. No. | Name of the Member | Category | Designation | No of Meetings held during the tenure of the members | Meetings attended |
|---------|---------------------------------|---------------------------------------|-------------|--|-------------------|
| 1 | Mr. Govindareddy Krishnamoorthy | Director (Non-Executive, Independent) | Chairman | 1 | 1 |
| 2 | Mr. Raghavulu Naidu | Director (Non-Executive, Independent) | Member | 1 | 1 |
| 3 | Mrs. Deepthi Talluri | Director (Non-Executive, Independent) | Member | 2 | 2 |

During the year, Nomination and Remuneration Committee has met twice on 03.06.2021 and 12.08.2021.

(iii) Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was constituted by our Board of Directors at its meeting held on 01.08.2014 and reconstituted on 23.05.2022. Composition of CSR Committee as on 23.05.2022 is as follows:

| | | |
|-----------------------------------|---|----------|
| Mrs. Neelima Devi Karuturi | - | Chairman |
| Mr. Satyanarayana Murthy Karuturi | - | Member |
| Mr. Raghavulu Naidu | - | Member |

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

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

Composition and Attendance of Members at the Meetings of CSR Committee held during 2021-22:

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

During the year under review, Corporate Social Responsibility Committee of the Company has met twice on 14.08.2021 and 12.03.2022

(iv) Stakeholders Relationship Committee (SRC)

The Stakeholders' Relationship Committee was constituted at board meeting held on March 08, 2017 and re-constituted on 22.06.2021. Composition of SRC Committee as on 31.03.2022 is as follows:

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

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

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



Composition SRC and Attendance of Members at the Meetings of the SRC held during 2021-22:

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

During the year, the Stakeholders' Relationship Committee has met once on 12.03.2022

Details of shareholders' requests/complaints received and resolved during FY 2021-22 are as under:

| | |
|---|---|
| No. of requests/complaints received | 0 |
| No. of requests/complaints resolved | 1 |
| No. of requests/complaints not solved to the satisfaction of the shareholders | 1 |
| No. of pending requests/complaints | 0 |

Name of non-executive director heading the committee: Mr. B. Raghavulu Naidua

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

(v) RISK MANAGEMENT COMMITTEE

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

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

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

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

Composition RMC and Attendance of Members at the Meetings of the RMC held during 2021-22:

| Name of the Member | Category | Designation | No of Meetings held during the tenure of the members | Meetings attended |
|--------------------------------|---------------------------------------|-------------|--|-------------------|
| Mr.K.Satyanarayana Murthy | Managing director | Chairman | 2 | 2 |
| Mr.K.Subrahmanya Chowdary | Executive director | Member | 2 | 1 |
| Mr.Govindareddy Krishnamoorthy | Director (Non-Executive, Independent) | Member | 2 | 1 |
| Mr.B. Raghavulu Naidu | Director (Non-Executive, Independent) | Member | 2 | 1 |
| Mrs D S Madhavi | Manager- Quality & assurance | Member | 2 | 2 |
| Mr. P.Durga Prasad | Manager- Accounts | Member | 2 | 2 |

During the year, the Risk management Committee has met twice on 30.09.2021 and 12.03.2022.



4. Remuneration of Directors

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

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

Non-executive Directors' Compensation & Disclosures:

The Non-executive Directors are entitled for (i) a sitting fee of Rs. 40,000/- per meeting of the Board of Directors attended and for committee meetings Rs. 15,000/- per meeting attended and (ii) Reimbursement of travel and hotel accommodation and other expenses incurred by them, for attending Board/Committee Meetings. Pursuant to Reg.34(3) and Sch.V of the SEBI(LODR) Regulations, 2015,

| Details of payment of remuneration of Executive Directors and Key Managerial Personnel & sitting fee to non-Executive directors: | | | |
|--|--|-----------------------------|----------------------------|
| Name of the Director/KMP | Designation | Remuneration (Rs. in Lakhs) | Sitting fee (Rs. in lakhs) |
| Mr.K.Satyanarayana Murthy | Chairman & Managing Director | 168.00 | N.A. |
| Mr.K.Subrahmanya Chowdary | Executive Director | 168.00 | N.A. |
| Mrs.K.Neelima Devi | Whole time director | 125.00 | N.A. |
| Mr. B. Raghavulu Naidu | Non-Executive Independent Director | N.A. | 3.05 |
| Mr. Govindareddy Krishnamoorthy | Non-Executive Independent Director | N.A. | 2.90 |
| Mrs Deepthi Talluri | Non-Executive Independent Director | N.A. | 2.45 |
| Mr.Mantena Lakshmipathi Raju | Non-Executive Independent Director (resigned w.e.f 05.06.2021) | N.A. | 0.15 |
| Mr.Ch.Vijay Kumar | KMP- Chief Financial officer | 11.05 | N.A. |
| Mrs S.Sarojini | KMP- Company Secretary | 4.20 | N.A. |

Performance Evaluation Criteria for Directors

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

Performance evaluation

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

A meeting of the Independent Directors was held on 12.03.2022, which reviewed the performance of Non-Independent Directors, Chairman and the quality of the information and follow up action is being taken on suggestions made therein.



2. GENERAL BODY MEETINGS

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

| Year | Location | Date | Time |
|---------|--|------------|--------------|
| 2018-19 | At Paradigm Sarovar Portico, D.No.20-1-60, Near Tirumala Theatre, Subash Road , Kakinada-533001, East Godavari District, Andhra Pradesh (Conducted through video conference mode) | 19.09.2019 | at 4.00 P.M. |
| 2019-20 | At the registered office of the company at 3-160, Panasapadu, Kakinada, East Godavari – 533005, Andhra Pradesh(Conducted through video conference mode) | 28.09.2020 | at 9.30 A.M |
| 2020-21 | At the registered office of the company at 3-160, Panasapadu, Kakinada, East Godavari – 533005, Andhra Pradesh (Conducted through video conference mode) | 22.09.2021 | at 9.00 A.M |

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

| Description of resolution passed | Date of AGM |
|--|-------------|
| Re-Appointment of Mr. K. Satyanarayana Murthy (DIN 05107525) as the Managing Director | 19.09.2019 |
| Re-Appointment of Mr. K. Subrahmanya Chowdary (DIN 03619259) as the Executive director | 19.09.2019 |
| Re-Appointment of Mrs. K. Neelima Devi (DIN 06765515) as Whole time Director | 19.09.2019 |
| Appointment of Mr. B. Raghavulu Naidu (din: 09158333) as an Independent director | 22.09.2021 |
| Appointment of Mr. Govindareddy Krishnamoorthy(din: 09208749) as an Independent director | 22.09.2021 |

- Details of Postal Ballot Resolutions passed during the year 2021-22: Nil
- Whether any special resolution is proposed to be conducted through postal ballot: No

3. MEANS OF COMMUNICATION

| Sl. No. | Description | Remarks |
|---------|--|---|
| 1 | Quarterly results | The quarterly and half-yearly unaudited/audited financial results are informed to Bombay Stock Exchange and National Stock Exchange as prescribed under SEBI(LODR) Regulations and posted at website of the company |
| 2 | Newspapers wherein results are normally published | Andhra Prabha & Business Standard |
| 3 | Website | www.apexfrozenfoods.in |
| 4 | Whether it also displays official news releases | Yes |
| 5 | Presentations made to institutional investors or to analysts | Yes |

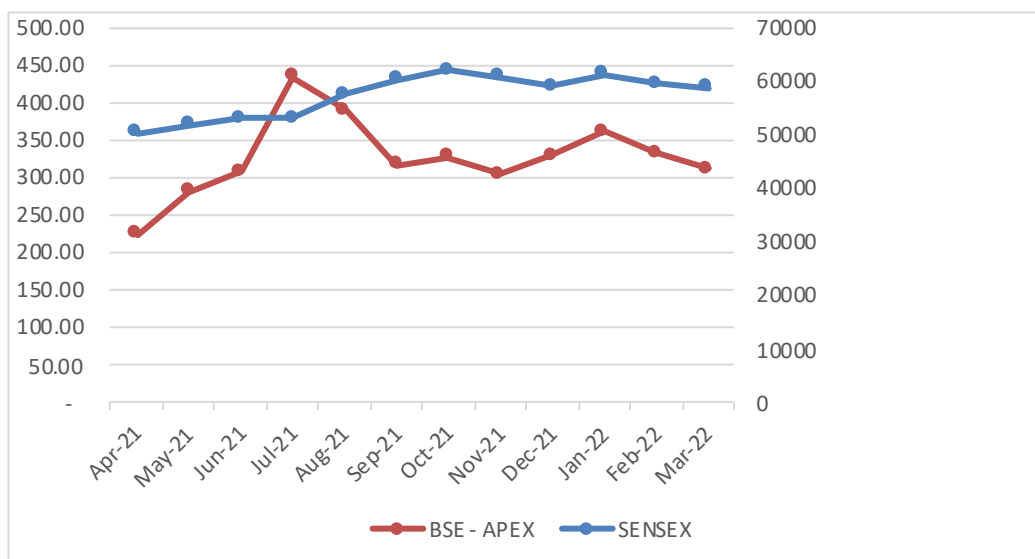


7. General shareholders' information

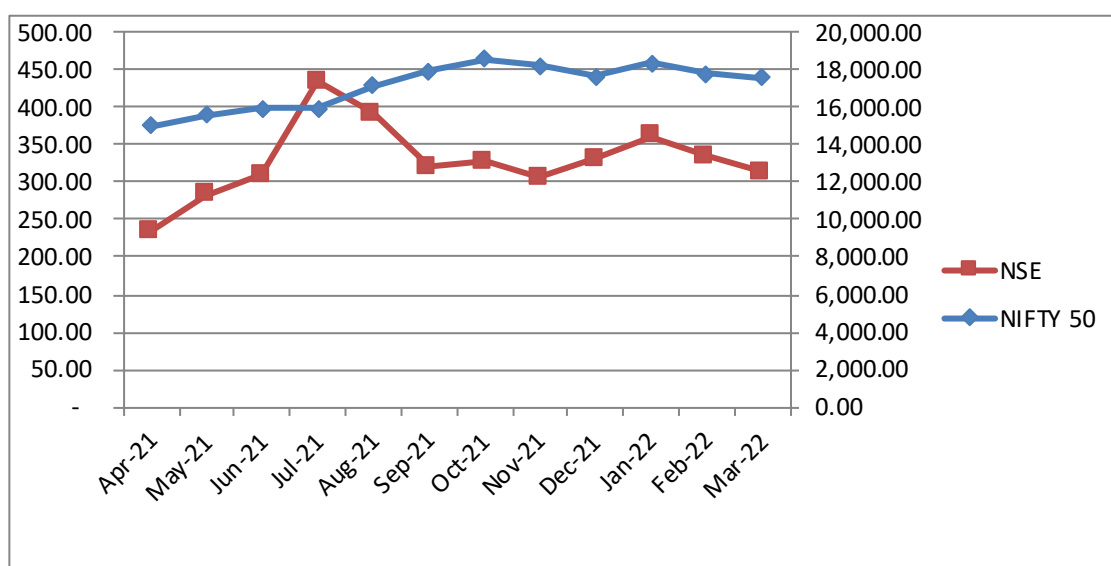
| Sl. No. | Description | Details | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---------|--|---|--------|--------|--------|--------|--------|--------|--|-----|--|--|--|-----|--|--|--|-------|------|------|-----|-------|------|------|-----|-------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| i. | Date, time and Venue of AGM | Date: Saturday, 23 rd July, 2022 Time: At 11.00 A.M. Mode of Meeting: The Annual General meeting will be conducted through Video Conferencing (VC)/Other Audio-Visual Means (OAVM) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ii. | Financial Year | 1st April, 2021 to 31 st March, 2022 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| iii. | Dividend payment date | Within 30 days from declaration of dividend i.e, by 22 nd August, 2022 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| iv. | Dates of book closure | 18 th July, 2022 to 23 rd July, 2022 (both days inclusive) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| v. | Name and address of Stock Exchange(s) at which the equity shares are listed and confirmation about payment of annual listing fee to each of such Stock Exchanges. | <p>The Company's Shares are listed on Bombay Stock Exchange (BSE) and National Stock Exchanges. The addresses of these Exchanges is as under:</p> <p>1. Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.</p> <p>2. National Stock Exchange of India Limited, Exchange Plaza , Bandra Kurla Complex, Bandra (East), Mumbai-400 051.</p> <p>The Company has duly paid the Listing fees for the year 2021-22 to BSE Limited and National Stock Exchange where the shares of the Company are Listed.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| vi. | Stock Code | BSE : 540692 NSE : APEX | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| vii. | Market Price Data: High / Low / Close During each month in the last Financial Year: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | <table><tr><th></th><th colspan="4">BSE</th><th colspan="4">NSE</th></tr><tr><th>Month</th><th>Open</th><th>High</th><th>Low</th><th>Close</th><th>Open</th><th>High</th><th>Low</th><th>Close</th></tr><tr><td>Apr-21</td><td>211.80</td><td>225.50</td><td>200.00</td><td>214.10</td><td>209.15</td><td>234.10</td><td>200.10</td><td>214.35</td></tr><tr><td>May-21</td><td>213.10</td><td>282.50</td><td>211.20</td><td>271.75</td><td>214.95</td><td>283.00</td><td>211.05</td><td>270.55</td></tr><tr><td>Jun-21</td><td>273.95</td><td>308.70</td><td>256.80</td><td>290.50</td><td>272.70</td><td>309.00</td><td>257.10</td><td>290.25</td></tr><tr><td>Jul-21</td><td>293.90</td><td>435.20</td><td>286.80</td><td>377.20</td><td>292.45</td><td>434.85</td><td>292.45</td><td>377.35</td></tr><tr><td>Aug-21</td><td>379.75</td><td>391.40</td><td>237.10</td><td>262.55</td><td>380.40</td><td>392.00</td><td>236.00</td><td>263.30</td></tr><tr><td>Sep-21</td><td>266.80</td><td>318.10</td><td>262.75</td><td>291.20</td><td>265.00</td><td>319.50</td><td>262.30</td><td>291.30</td></tr><tr><td>Oct-21</td><td>294.00</td><td>327.90</td><td>261.30</td><td>263.40</td><td>291.50</td><td>327.55</td><td>259.65</td><td>263.15</td></tr><tr><td>Nov-21</td><td>267.60</td><td>305.00</td><td>254.65</td><td>260.30</td><td>265.00</td><td>305.20</td><td>254.20</td><td>260.35</td></tr><tr><td>Dec-21</td><td>262.55</td><td>330.00</td><td>242.95</td><td>298.90</td><td>263.40</td><td>330.00</td><td>241.60</td><td>298.35</td></tr><tr><td>Jan-22</td><td>295.00</td><td>362.25</td><td>283.00</td><td>318.55</td><td>298.80</td><td>361.40</td><td>283.25</td><td>318.50</td></tr><tr><td>Feb-22</td><td>320.00</td><td>333.75</td><td>251.45</td><td>272.00</td><td>321.00</td><td>333.95</td><td>251.00</td><td>271.45</td></tr><tr><td>Mar-22</td><td>270.00</td><td>311.95</td><td>255.00</td><td>278.20</td><td>270.00</td><td>312.45</td><td>257.55</td><td>278.60</td></tr></table> | | | | | | | | | BSE | | | | NSE | | | | Month | Open | High | Low | Close | Open | High | Low | Close | Apr-21 | 211.80 | 225.50 | 200.00 | 214.10 | 209.15 | 234.10 | 200.10 | 214.35 | May-21 | 213.10 | 282.50 | 211.20 | 271.75 | 214.95 | 283.00 | 211.05 | 270.55 | Jun-21 | 273.95 | 308.70 | 256.80 | 290.50 | 272.70 | 309.00 | 257.10 | 290.25 | Jul-21 | 293.90 | 435.20 | 286.80 | 377.20 | 292.45 | 434.85 | 292.45 | 377.35 | Aug-21 | 379.75 | 391.40 | 237.10 | 262.55 | 380.40 | 392.00 | 236.00 | 263.30 | Sep-21 | 266.80 | 318.10 | 262.75 | 291.20 | 265.00 | 319.50 | 262.30 | 291.30 | Oct-21 | 294.00 | 327.90 | 261.30 | 263.40 | 291.50 | 327.55 | 259.65 | 263.15 | Nov-21 | 267.60 | 305.00 | 254.65 | 260.30 | 265.00 | 305.20 | 254.20 | 260.35 | Dec-21 | 262.55 | 330.00 | 242.95 | 298.90 | 263.40 | 330.00 | 241.60 | 298.35 | Jan-22 | 295.00 | 362.25 | 283.00 | 318.55 | 298.80 | 361.40 | 283.25 | 318.50 | Feb-22 | 320.00 | 333.75 | 251.45 | 272.00 | 321.00 | 333.95 | 251.00 | 271.45 | Mar-22 | 270.00 | 311.95 | 255.00 | 278.20 | 270.00 | 312.45 | 257.55 | 278.60 |
| | BSE | | | | NSE | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Month | Open | High | Low | Close | Open | High | Low | Close | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Apr-21 | 211.80 | 225.50 | 200.00 | 214.10 | 209.15 | 234.10 | 200.10 | 214.35 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| May-21 | 213.10 | 282.50 | 211.20 | 271.75 | 214.95 | 283.00 | 211.05 | 270.55 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Jun-21 | 273.95 | 308.70 | 256.80 | 290.50 | 272.70 | 309.00 | 257.10 | 290.25 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Jul-21 | 293.90 | 435.20 | 286.80 | 377.20 | 292.45 | 434.85 | 292.45 | 377.35 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Aug-21 | 379.75 | 391.40 | 237.10 | 262.55 | 380.40 | 392.00 | 236.00 | 263.30 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Sep-21 | 266.80 | 318.10 | 262.75 | 291.20 | 265.00 | 319.50 | 262.30 | 291.30 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Oct-21 | 294.00 | 327.90 | 261.30 | 263.40 | 291.50 | 327.55 | 259.65 | 263.15 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Nov-21 | 267.60 | 305.00 | 254.65 | 260.30 | 265.00 | 305.20 | 254.20 | 260.35 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Dec-21 | 262.55 | 330.00 | 242.95 | 298.90 | 263.40 | 330.00 | 241.60 | 298.35 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Jan-22 | 295.00 | 362.25 | 283.00 | 318.55 | 298.80 | 361.40 | 283.25 | 318.50 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Feb-22 | 320.00 | 333.75 | 251.45 | 272.00 | 321.00 | 333.95 | 251.00 | 271.45 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Mar-22 | 270.00 | 311.95 | 255.00 | 278.20 | 270.00 | 312.45 | 257.55 | 278.60 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

viii.

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



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



| Sl. No. | Description | Details | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|----------------------|--|---|----------------------|----------------------|---------------------|---------------|-------------|---------|--------------------------------|-------|----------|-------|------------|--------------------------------|-------|---------|-------|-------------|-------------------------|------|--------|------|-------------|-------|-------|----------|--------|-------------|----|------|--------|------|-------------|----|------|--------|------|--------------|----|------|--------|------|-----------------|----|------|----------|-------|-------|-------|--------|----------|--------|
| ix. | Registrar to an issue and share transfer agents | <p>Bigshare Services Private Limited Head office:1st Floor, Bharat Tin Works Building Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai- 400059 Tel: +91 22- 6263 8200</p> <p>Hyderabad Branch: 306,Right Wing, 3rd Floor, Amrutha Ville, Opp.Yashoda Hospital, Somajiguda, Rajbhavan Road, Hyderabad – 500082, Ph: 040 40144582</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| x. | Share Transfer System | All transfers received are electronically processed and approved by the Share Transfer Committee which normally meets once in a fortnight or more depending upon the volume of transfers. The summary of transfers, transmissions etc., are placed before every Board Meeting and Stakeholders Relationship Committee Meeting. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| xi. | Distribution of shareholding as on 31.03.2022: | <table><tr><th>No. of Equity shares</th><th>No. of share holders</th><th>% of Shareholders</th><th>No. of shares</th><th>% of Shares</th></tr><tr><td>01-5000</td><td>38436</td><td>95.77</td><td>2716189</td><td>8.69</td></tr><tr><td>5001-10000</td><td>974</td><td>2.43</td><td>749177</td><td>2.40</td></tr><tr><td>10001-20000</td><td>398</td><td>0.99</td><td>579320</td><td>1.85</td></tr><tr><td>20001-30000</td><td>134</td><td>0.33</td><td>340474</td><td>1.09</td></tr><tr><td>30001-40000</td><td>50</td><td>0.12</td><td>177915</td><td>0.57</td></tr><tr><td>40001-50000</td><td>34</td><td>0.08</td><td>161188</td><td>0.52</td></tr><tr><td>50001-100000</td><td>52</td><td>0.13</td><td>356295</td><td>1.14</td></tr><tr><td>100001and above</td><td>55</td><td>0.14</td><td>26169442</td><td>83.74</td></tr><tr><td>Total</td><td>40133</td><td>100.00</td><td>31250000</td><td>100.00</td></tr></table> | No. of Equity shares | No. of share holders | % of Shareholders | No. of shares | % of Shares | 01-5000 | 38436 | 95.77 | 2716189 | 8.69 | 5001-10000 | 974 | 2.43 | 749177 | 2.40 | 10001-20000 | 398 | 0.99 | 579320 | 1.85 | 20001-30000 | 134 | 0.33 | 340474 | 1.09 | 30001-40000 | 50 | 0.12 | 177915 | 0.57 | 40001-50000 | 34 | 0.08 | 161188 | 0.52 | 50001-100000 | 52 | 0.13 | 356295 | 1.14 | 100001and above | 55 | 0.14 | 26169442 | 83.74 | Total | 40133 | 100.00 | 31250000 | 100.00 |
| No. of Equity shares | No. of share holders | % of Shareholders | No. of shares | % of Shares | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 01-5000 | 38436 | 95.77 | 2716189 | 8.69 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 5001-10000 | 974 | 2.43 | 749177 | 2.40 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 10001-20000 | 398 | 0.99 | 579320 | 1.85 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 20001-30000 | 134 | 0.33 | 340474 | 1.09 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 30001-40000 | 50 | 0.12 | 177915 | 0.57 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 40001-50000 | 34 | 0.08 | 161188 | 0.52 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 50001-100000 | 52 | 0.13 | 356295 | 1.14 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 100001and above | 55 | 0.14 | 26169442 | 83.74 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | 40133 | 100.00 | 31250000 | 100.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| xii. | Dematerialization of shares and liquidity as on 31.03.2022 | <table><tr><th>Sl. No.</th><th>Description</th><th>No. of Shareholders</th><th>No. of shares</th><th>% of Equity</th></tr><tr><td>1</td><td>Shares in Demat mode with NSDL</td><td>16662</td><td>27525968</td><td>88.08</td></tr><tr><td>2</td><td>Shares in Demat mode with CDSL</td><td>23470</td><td>3724022</td><td>11.92</td></tr><tr><td>3</td><td>Shares in Physical mode</td><td>1</td><td>10</td><td>0.00</td></tr><tr><td></td><td>Total</td><td>40133</td><td>31250000</td><td>100.00</td></tr></table> | Sl. No. | Description | No. of Shareholders | No. of shares | % of Equity | 1 | Shares in Demat mode with NSDL | 16662 | 27525968 | 88.08 | 2 | Shares in Demat mode with CDSL | 23470 | 3724022 | 11.92 | 3 | Shares in Physical mode | 1 | 10 | 0.00 | | Total | 40133 | 31250000 | 100.00 | | | | | | | | | | | | | | | | | | | | | | | | | |
| Sl. No. | Description | No. of Shareholders | No. of shares | % of Equity | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1 | Shares in Demat mode with NSDL | 16662 | 27525968 | 88.08 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2 | Shares in Demat mode with CDSL | 23470 | 3724022 | 11.92 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3 | Shares in Physical mode | 1 | 10 | 0.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Total | 40133 | 31250000 | 100.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

The company's shares are regularly traded on BSE and NSE.

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

8. Other disclosures

i. Disclosure on materially significant Related Party Transactions

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

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



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

| Sl. No. | Compliance Requirement (Regulations / circulars / guidelines including specific clause) | Deviations | Remarks or Penalty imposed, if any |
|---------|--|---|--|
| 1 | Reg. 29- Prior intimation of at least two working days in advance, excluding the date of the intimation and date of the meeting for considering declaration/ recommendation of Dividend | Company has given the intimation on 23 June 2021 for declaration/ recommendation of dividend at the meeting of the Board of directors held on 25 June 2021 there by deviating the regulation 29 w.r.t minimum period for prior intimation | The NSE has imposed a Fine of INR 10,000/- plus GST which the company has paid. |
| 2 | Reg 17(2)- The board of directors shall meet at least four times a year, with a maximum time gap of one hundred and twenty days between any two meetings | The Company convened the Board meeting on 11 February 2021 and the next Board meeting was convened on 25 June 2021, thereby the maximum gap is beyond 120 days | MCA vide General Circular No. 08/2021 dated May 03, 2021 has extended the gap between two board meetings under section 173 of the Companies Act, 2013 to 180 days for the quarters, April- June 2021 & July- September 2021 instead of 120 days. SEBI vide Circular No. SEBI/HO/CFD/CMD1/P/CIR/2021/556 dated April 29, 2021 also has provided relaxation from compliance with certain provisions of SEBI (LODR) Regulations, 2015 including the extended deadline for submitting Quarterly financial results / Annual audited financial results till June 30, 2021 under Regulation 33(3). According to the board and audit committee was convened as per the SEBI extension and the MCA circular although there is no specific circular from SEBI relaxing the time gap of 120 days. |
| 3 | Reg. 25(10)- Directors and Officers insurance ('D and O insurance') for independent directors: The top 1000 listed entities shall undertake Directors and Officers insurance ('D and O insurance') for all their independent directors of such quantum and for such risks as may be determined by its board of directors | The listed entity is yet to obtain the Directors and Officers insurance ('D and O insurance') for the independent directors | Nil |

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

The Company has in place a Whistle Blower Policy for Vigil mechanism for Directors and employees to report to the management about the unethical behavior, fraud, violation of Company's Code of Conduct. The Company affirms that no personnel have been denied access to the Chairman of the Audit Committee of Directors.

iv. Disclosure under Sexual Harassment of Women at Workplace

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

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

- a. number of complaints filed during the financial year 2021-22: Nil
- b. number of complaints disposed of during the financial year 2021-22: Nil
- c. number of complaints pending as at the end of the financial year 2021-22: Nil

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

- All mandatory Requirements were complied with for the year ending 31.03.2022.
- The Company has fulfilled the following non-mandatory requirements as prescribed in Schedule II, PART E of Regulation 27(1) of (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to the following:
 - o Audit Qualification – The financial statements of the Company of the Company are unqualified.
 - o Shareholders' Rights: As the quarterly and half yearly financial performance are submitted to the Stock Exchanges, published in the press and posted on the Company's website. These are not sent to shareholders separately.

vi. CEO/CFO Certification

In terms of Part-B of Schedule – II read with Regulation 17(8) of the SEBI (LODR) Regulations, 2015, the Certificate duly signed by the Managing Director of the Company was placed before the Board of Directors along with the financial statements for the year ended 31.03.2022, at its meeting held on 23.05.2022 and forms part of this Annual Report and same is annexed as **Annexure- IB** forms an integral part of the Annual Report..

vii. Policy on Material Subsidiaries

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

viii. Disclosure of Accounting Treatment:

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

ix. Compliance with Corporate Governance requirements

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

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

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

xi. Certificates from a Practising Company Secretary

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



with the conditions of Corporate Governance as stipulated in Para C of the Schedule V of the LODR Regulations and same is annexed as Annexure- ID and forms an integral part of the Annual Report.

xii. Disclosure with respect to payment made to Statutory Auditors

Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is Rs. 10.00 lakhs.

xiii. DISCLOSURE BY LISTED ENTITY AND ITS SUBSIDIARIES OF 'LOANS AND ADVANCES IN THE NATURE OF LOANS TO FIRMS/COMPANIES IN WHICH DIRECTORS ARE INTERESTED BY NAME AND AMOUNT': Nil

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

Annexure-I A

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

Code of Conduct

In terms of Reg.26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that all the Board members and Senior Management Personnel of the Company have affirmed compliance with the respective Codes of Conduct, as applicable to them for the year ended 31st March, 2022.

For **Apex Frozen Foods Limited**

Sd/-

K. Satyanarayana Murthy
Chairman & Managing Director
DIN 05107525

Place: Panasapadu, Kakinada
Date: 23.05.2022

Annexure-I B

Compliance Certificate by Managing Director and CFO

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

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

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

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

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

We have indicated to the auditors and the audit committee that

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

For & On behalf of **Apex Frozen Foods Limited**

Place: Panasapadu, Kakinada
Date: 23.05.2022

Sd/-
Ch. Vijay Kumar
CFO

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



Certificate of Non-Disqualification of Directors

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

To
The Members,
Apex Frozen Foods Limited

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

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs.

| Sr. No. | Name of Director | DIN | Date of appointment in Company |
|---------|-------------------------------|----------|--------------------------------|
| 1 | Karuturi Subrahmanya Chowdary | 03619259 | 30/03/2012 |
| 2 | Satyanarayana Murthy Karuturi | 05107525 | 30/03/2012 |
| 3 | Karuturi Neelima Devi | 06765515 | 18/12/2013 |
| 4 | Deepthi Talluri | 08726143 | 31/03/2020 |
| 5 | Raghavulu Naidu | 09158333 | 04/06/2021 |
| 6 | Govindareddy Krishnamoorthy | 09208749 | 22/06/2021 |

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

Sd/-
Arun Marepally
Partner

M No: A53561; CP 19797

UDIN: A053561D000369063

Peer Review Cer. No.: 622/2019

Place: Hyderabad
Date: 23.05.2022

Certificate on Corporate Governance

To,
The Members
Apex Frozen Foods Limited

We have examined the compliance of conditions of Corporate Governance by Apex Frozen Foods Limited ('the Company') for the year ended 31st March, 2022 as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15 (2) of the Listing Regulations.

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

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

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

Place: Hyderabad
Date: 23.05.2022

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

Sd/-
Arun Marepally
Partner
M No: A53561; CP 19797
UDIN: A053561D000369074
Peer Review Cer. No.: 622/2019



The Annual report on CSR activities to be included in the Board's Report for FY 2021-22

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

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

Resources

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

Areas Identified for CSR activities

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

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

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

2. Composition of the CSR Committee as on 31.03.2022:

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

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

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies

(Corporate Social responsibility Policy) Rules, 2014, if applicable : Not applicable

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

6. Average net profit of the company as per section 135(5): Rs. 7,834.50 Lakhs

7. (a) Two percent of average net profit of the company as per section 135(5):Rs. Rs. 156.69 lakhs

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

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

(d) Total CSR obligation for the financial year (7a+7b-7c): Rs. 156.69 lakhs

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

| Total Amount Spent for the Financial Year. (in Rs.lacs) | Amount Unspent (in Rs.lacs) | | | | |
|---|--|------------------|--|--------|------------------|
| | Total Amount transferred to Unspent CSR Account as per section 135(6). | | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5). | | |
| | Amount | Date of transfer | Name of the Fund | Amount | Date of transfer |
| 156.48 | 0.21 | 31.03.2022 | NA | NA | NA |

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

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



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

| Sl. No | Name of the Project | Item from the list of activities in Schedule VII to the Act | Local area (Yes/No) | Location of the project | | Amount allocated for the project (in Rs.) | Mode of Implementation - Direct (Yes/No) | Mode of Implementation - Through Implementing Agency | |
|--------|---|---|---------------------|-------------------------|-----------|---|--|--|--------------------------|
| | | | | State | Dis-trict | | | Name | CSR Registration number. |
| 1. | T.R.R government degree college | Promotion of Education | YES | AP, Prakash-am | district | 10,00,000 | YES | Company | |
| 2. | Asian Healthcare Foundation | Promoting Healthcare | NO | Telangana, | Hyderabad | 35,25,000 | YES | Trust | |
| 3 | Covid 19 relief activities | Promotion of Healthcare (District Collector Covid-19 Fund) | YES | AP, East Go-davari | | 7,00,000 | YES | Company | |
| 4 | Hrudaya Cure A little Heart foundation | Promotion of Healthcare | NO | Telangana, | Hyderabad | 25,00,000 | YES | Trust | |
| 5 | Erection of Oxygen Plants at Govt Hspl, KKD | Promotion of Healthcare | YES | AP, Kakinada | | 54,87,000 | YES | Company | |
| 6 | Donation of 2 Philips Trilogy 300 ventilators to Govt Hspl . KKD | Promotion of Healthcare | Yes | AP, Kakinada | | 14,10,000 | YES | Company | |
| 7 | Distributed 10lpm(7 units) oxygen concentrators to Government Hospitals | Promotion of Healthcare | YES | AP, Kakinada | | 2,24,000 | YES | Company | |
| 8 | Donation of Medical Equipment's to Govt Hospital, KKD | Promotion of Healthcare | YES | AP, Kakinada | | 8,02,250 | YES | Compnay | |

(d) Amount spent in Administrative Overheads: Nil

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

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs.1,56,48,250/-

(g) Excess amount for set off, if any

| Sr. No. | Particular | Amount (in Rs. lakhs) |
|---------|---|--------------------------|
| (i) | Two percent of average net profit of the company as per section 135(5) | 1,56,69,000 |
| (ii) | Total amount spent for the Financial Year | 1,56,48,250 |
| (iii) | Excess amount spent for the financial year [(ii)-(i)] | 0.00 |
| (iv) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | 0.00 |
| (v) | Amount available for set off in succeeding financial years [(iii)-(iv)] | 0.00 |

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

| Sl. No | Preceding Financial Year. | Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.) | Amount spent in the reporting Financial Year (in Rs.). | Amount transferred to any fund specified under Schedule VII as per section 135(6), if any. | | | Amount remaining to be spent in succeeding financial years. (in Rs.) |
|--------|---------------------------|--|--|--|----------------|-------------------|--|
| | | | | Name of the Fund | Amount (in Rs) | Date of transfer. | |
| 1. | 2018-19 | 54,87,542 | 0 | - | - | - | 54,87,542 |
| 2. | 2019-20 | 71,02,671 | 0 | - | - | - | 71,02,671 |
| 3. | 2020-21 | 20.07 lakhs | 0 | - | - | - | 20.07 lakhs |

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

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

NIL

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

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

For Apex Frozen Foods Limited

Place: Panasapadu, Kakinada
Date: 23.05.2022

Sd/-
K. Neelima Devi
Chairman CSR Committee
DIN 06765515

Sd/-
K. Satyanarayana Murthy
Chairman Director
DIN 05107525



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

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

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

| Sl.No. | Name | Designation | Total remuneration (Rs in Lakhs) | Ratio of remuneration of director to the median remuneration |
|--------|-----------------------------|---------------------|-------------------------------------|--|
| 1 | Mr.K .Subrahmanya Chowdary | Executive Director | 168.00 | 1880:1 |
| 2 | Mr. K. Satyanarayana Murthy | Managing Director | 168.00 | 1880:1 |
| 3 | Mrs. K. Neelima Devi | Whole time Director | 125.00 | 1399:1 |

Notes:

- The aforesaid details are calculated on the basis of remuneration for the financial year 2021-22.
- The remuneration to Directors includes sitting fees paid to them for the financial year 2021-22.
- Median remuneration of all its employees is Rs 8,938/- for the financial year 2021-22.

2. The percentage increase/decrease in the median remuneration of employees in the financial year 2021-22: (5.28%)

3.The number of permanent employees on the rolls of Company:

| | |
|-------------------|------|
| Executive & Staff | 523 |
| Workers | 2190 |
| Total | 2713 |

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

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

| Particulars | 2021-22 | 2020-21 | Increase % |
|--|---------|---------|------------|
| Average salary of all employees (in Rupees) (Other than Key Managerial Personnel) | 8,938 | 9,436 | (5.28) |
| Salary of Managing Director (Rs in lakhs) | 168.00 | 126.00 | 25.00 |
| Salary of Whole Time Director (Rs in lakhs) | 168.00 | 126.00 | 25.00 |
| Salary of Whole Time Director (Rs in lakhs) | 125.00 | 93.75 | 25.00 |
| Salary of Chief Financial Officer (Rs in lakhs) | 11.05 | 10.20 | 12.74 |
| Salary of Company Secretary (Rs in lakhs) | 4.20 | 4.20 | 0.00 |

(During 2020-2021, keeping in the view of Covid Pandemic and its effect on business operations, Mr. K Satyanarayana Murthy, Managing Director, Mr. K Subrahmanya Chowdary, Executive Director and Mrs. K Neelima Devi, Whole Time Director were voluntarily relinquished their remunerations pertaining to quarter ended 31.12.2020.

5. List of top ten employees of the Company in terms of remuneration drawn and employed throughout the financial year 2021-22.

| Name(s) | Salary P.A (Rs in lakhs) | Qualification | Years of exp. | Previous employment |
|------------------|---------------------------|---------------|---------------|---------------------|
| D. SatyaMadhavi | 13.92 | M.SC | 20 | Jasper Aqua |
| M. Satyanarayana | 13.20 | ITI | 28 | NJR Marine |
| N. Suresh | 13.20 | B.SC | 13 | Sandhya Marine |

Notes:

- No employee is a relative of any Director or Manager of the Company.
- All appointments are contractual and terminable by notice on either side.
- Remuneration includes salary, bonus, commission, various allowances, contribution to provident fund and superannuation fund and taxable value of perquisites excluding provision for gratuity and leave encashment.
- Company has not paid remuneration to any of the employee exceeding Rs 1.02 Crore

6. There is no employee in the Company, who has drawn remuneration exceeding more than One crore and Two lakhs per annum for the financial year 2021-22; and

7. There is no employee in the Company, who has drawn the remuneration exceeding Eight lakhs and Fifty thousand per month during the financial year 2021-22.

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

Sd/-
K Subrahmanya Chowdary
Executive Director
DIN 03619259

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

Place: Panasapadu, Kakinada
Date: 23.05.2022



Business Responsibility Report

Section A: General Information about the Company

1. Corporate Identity Number (CIN) of the Company: L15490AP2012PLC080067
2. Name of the Company: Apex Frozen Foods Limited
3. Registered Address: 3-160, Panasapadu, Kakinada, East Godavari 533005, Andhra Pradesh, India
4. Website: www.apexfrozenfoods.com
5. Email: info@apexfrozenfoods.com
6. Financial Year Reported: 2021-22
7. Sector(s) that the Company is engaged in (industrial activity code-wise NIC-2008):
 - a. 1020 – Processing and preserving of fish, crustaceans and molluscs and products thereof
8. List three key products/services that the Company manufactures/provides (as in balance sheet):
 - a. Head On / Headless, Shell-on Shrimp
 - b. Easy Peel Shrimp
 - c. Peeled Shrimp
9. Total number of locations where business activity is undertaken by the Company
 - a. Number of International Locations: NIL
 - b. Number of National Locations:
10. Two (2) Processing Plants;
11. One (1) Pre-Processing Unit;
12. Three (3) Hatcheries.
13. Markets served by the Company: Local/State/ National/International
 - a. National: The shrimp seed from the Company's Hatcheries is marketed to shrimp farmers in the state of Andhra Pradesh,
 - b. International: During the year under review, the Company exported processed shrimp to the USA, European Union, and China

Section B: Financial Details of the Company for year ended 31.03.2022:

1. Paid Up Capital: Rs. 3,125.00 lacs
2. Total Turnover: Rs. 91,420.28 lacs
3. Total Profit after Taxes: Rs.4,108.07 lakhs
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%): 3.80 %
5. The Company has spent Rs. 156.48 lakhs on CSR which formed 3.80% of the profit after tax for the financial year 2021-22.
6. List of activities in which expenditure in 4 above has been incurred:
 - a. Promoting Health care.
 - b. Promotion of Education

Section C: Other Details

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

Section D: BR Information

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

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

b) Details of the BR head

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

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

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

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



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

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

[illegible]

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

| Sl. No. | Name of the Member | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---------|---|----|----|----|----|----|----|----|----|----|
| 1 | The company has not understood the Principles | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2 | The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 3 | The company does not have financial or manpower resources available for the task | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 4 | It is planned to be done within next months | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 5 | It is planned to be done within the next 1 year | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 6 | Any other reason (please specify) | NA | NA | NA | NA | NA | NA | NA | NA | NA |

3) Governance related to BR:

a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year:

- Once a year

b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report?

How frequently it is published?

• This is the second year that the BR report is applicable to the Company and it forms a part of the Annual Report.

Section E: Principle-Wise Performance

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

Apex frozen Foods Limited lays a strong emphasis on ethical corporate citizenship and establishment of good corporate culture. It has always believed in adhering to the best governance practices to ensure protection of interests of all stakeholders of the Company in tandem with healthy growth of the Company. The Company has always discouraged practices that are abusive, corrupt, or anticompetitive.

Our philosophy is to conduct the business with high eth-

ical standards in our dealings with all the stakeholders that include employees, customers, suppliers, government and the community. The Company has a strong and effective Whistle Blower Policy which aims to deter and detect actual or suspected misconduct. It has been established to ensure that genuine concerns of misconduct/ unlawful conduct, which an individual believes may be taking place within the organisation, are raised at an early stage in a responsible and confidential manner. This mechanism also provides for adequate safeguards against victimisation of employees who avail of the mechanism. Any employee may report such incident without fear to the Chairman of the Audit Committee. The Policy on Vigil Mechanism may be accessed on the Company's website at http://apexfrozenfoods.in/wp-content/uploads/2017/11/Apex_Whistle-Blower-Policy.pdf

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

• The Company's Code of Conduct for Directors, Key Managerial Personnel and Senior Managers covers the fundamentals of the first principle.

2) How many stakeholder complaints have been received in the past financial year and what percentage was satis



factorily resolved by the management? If so, provide details thereof, in about 50 words or so.

- As laid out the Corporate Governance Report, the Company not received any Investor Complaints during the financial year 2021-22

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

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

a) The Processing plants & hatcheries are designed to ensure that the practices followed consider the environment right from procurement, packing to discharge of waste materials

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

a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

- Reduction in sourcing / distribution is proportionate to our business. There has been no reduction in resource usage other than this

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

- There has been no material change in the usage patterns of energy and water in comparison to the previous year.

3) Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

- Yes, the Company has procedures in place for sustainable sourcing throughout its supply chain. In our mission to reduce our environmental impact, the involvement of our supply chain partners is vital. We encourage our partners to adopt sustainable practices in their operations for improvement in their environmental performance.

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

- Yes, the Company sources raw shrimp from local and small producers. With the purpose of achieving sustainable procurement, local sourcing is an essential aspect in developing the supply chain and hence most of the shrimp that is processed comes from within almost 20 to 250 kms of the Company's operating base. The Company also supports local producers by providing technical inputs to upgrade and maintain the quality of their produce.

5) Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

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

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

- Please indicate the total number of employees: 2713
- Please indicate the total number of employees hired on temporary/contractual/casual basis: 2430
- Please indicate the number of permanent women employees: 1980
- Please indicate the number of permanent employees with disabilities: Nil
- Do you have an employee association that is recognized by management: Nil
- What percentage of your permanent employees is members of this recognized employee association? Not applicable
- Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

| Sl.No. | Category | No.of complaints filed during the financial year | No.of complaints pending as on end of the financial year |
|--------|---|--|--|
| 1 | Child labour/forced labour/involuntary labour | Nil | Nil |
| 2 | Sexual harassment | Nil | Nil |
| 3 | Discriminatory employment | Nil | Nil |

8) What percentage of your under mentioned employees were given safety & skill up-gradation training in the last

year?

- a) Permanent Employees: 100%
- b) Permanent Women Employees: 100%
- c) Casual/Temporary/Contractual Employees: 100%
- d) Employees with Disabilities: 100%

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

1) Has the company mapped its internal and external stakeholders? Yes/No

• Yes, the Company has mapped its internal and external stakeholders as follows:

- i) Employees
- ii) Customers
- iii) Suppliers
- iv) Shareholders
- v) Bankers
- vi) Regulatory Authorities
- vii) Members of the Society

2) Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?

• The Company is engaged with its stakeholders and focusses on being responsive and proactive in communicating with them and is sensitive towards their needs and expectations. The Company is in the process of identifying the disadvantaged, vulnerable

& marginalized stakeholders to be able to undertake special initiative based on the need of such stakeholders

3) Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

• The Company undertakes various social initiatives in and around the vicinity of the Company's facilities.

Principle 5: Businesses should respect and promote human rights

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

• The current policy of Human Rights currently covers the Company and its employees.

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

• There were no complaints regarding human rights violation during the past financial year 2021-22

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

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

• The Company's current policy pertaining to the Environment covers the Company and its employees

2) Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

• The Company is conscious of its role in ensuring the protection of the environment and it has adhered to all laid down principles of water conservation, making the supply chain more sustainable by guiding our key suppliers to incorporate sustainability initiatives into their operations etc. Further, we have ensured that our plants are equipped with class leading equipment to reduce wastage and effluents.

3) Does the company identify and assess potential environmental risks? Y/N

• No

4) Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

• No, the Company does not have any projects registered with the United Nations Framework Convention on Climate Change (UNFCCC) as a Clean Development Mechanism (CDM) project in the reporting year

5) Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

• The Company constantly explores means to reduce energy consumption through vigilant energy management and through the adoption of emerging efficient renewable technologies.

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

• Yes, all the facilities of the Company comply with the prescribed emission norms of State Pollution Control Boards and the emissions and waste generated during the financial year 2021-22 were within the permissible limits given by SPCB

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

as on end of Financial Year

• Nil

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

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

• Company is member of Federation of Indian Chambers of Commerce and Industry, The Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry, the Andhra Pradesh Chambers of Commerce & Industry Federation, Indian Wind Power Association,



Compound Livestock Feed Manufacturers Association of India and Federation of Indian Export Organization

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

ciples, Others)

- The Company has lobbied with MPEDA for effective monitoring mechanism for stopping usage of antibiotics in shrimp culture and to check the menace of illegal hatcheries. Company lobbying along with associations for continuous power supply to farmers at rates applicable to agricultural sector with State and Central Governments

Principle 8: Businesses should support inclusive growth and equitable development

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

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

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

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

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

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

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

| Sl.No. | Purpose for which CSR project undertaken | Recipient of CSR contribution | Amount spent during reporting period |
|--------|--|--|--------------------------------------|
| 1 | Promotion of Education – Donated Desks, Almirahs, computer tables ,cc cameras, chairs, visiting chairs, printers, Boards etc | T.R.R government degree college | 10,00,000 |
| 2 | Promoting Healthcare – donated advanced equipment's for diagnosis, complementary treatment for GI disorders, Cancer | Asian Healthcare Foundation | 35,25,000 |
| 3 | Promotion of Healthcare (Covid 19 relief activities) | District Collector Covid-19 Funds | 7,00,000 |
| 4 | Promotion of Healthcare – Treatment of children suffering with Heart diseases | Hrudaya Cure A little Heart foundation | 25,00,000 |
| 5 | Promotion of Healthcare-Erection of Oxygen Plants at Govt Hospital | Government General Hospital, Kakinada | 54,87,000 |
| 6 | Promotion of Healthcare –Donation of 2 Philips Trilogy 300 ventilators | Government General hospital, Kakinada | 14,10,000 |
| 7 | Promotion of Healthcare- Distribution of 10lpm (7 units) oxygen concentrators to Government Hospital, Kakinada | Government General hospital, Kakinada | 8,02,250 |
| 8 | Promoting Healthcare – Donation of Medical Equipment's to Govt Hospital | Government General hospital, Kakinada | 2,24,000 |

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

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

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

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

- zero

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

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

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

- Nil

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

- Nil



Form No. MR-3

Secretarial Audit Report

For the financial year ended 31st March 2022

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

To,
The Members
Apex Frozen Foods Limited
3-160, Panasapadu, Kakinada,
East Godavari District,
Andhra Pradesh -533005.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Apex Frozen Foods Limited. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of the Apex Frozen Foods Limited books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 complied with the statutory provisions listed here under and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made here in after.

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by Apex Frozen Foods Limited for the financial year ended on 31st March 2022, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and by-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The SEBI (Prohibition of Insider Trading) Regulations, 2015
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable to the Company during the Audit Period);
 - d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008: (Not applicable to the Company during the Audit Period);
 - e. 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;
 - f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 : (Not applicable to the Company during the Audit Period);
 - g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018: (Not applicable to the Company during the Audit Period);
 - h. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- vi. The Company has identified the following laws specifically applicable to the Company:
 - a. Marine Products Export Development Authority Act, 1972 and rules made thereunder.
 - b. Coastal Aquaculture Authority Act, 2005 and rules made thereunder.
 - c. The Water (Prevention and control of pollution) Act, 1974

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

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

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

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

- a. *The company has given the prior intimation of 1 working day in advance instead of at least 2 working days in advance for the date of board meeting held on 25 June 2021 to Stock Exchange for considering the declaration/ recommendation of the dividend.*
- b. *The listed entity is yet to obtain the Directors and Officers insurance ('D and O insurance') for the directors.*

We observed that the gap between the two board meetings held on 11 February 2021 and 25 June 2021 exceeded the maximum gap of 120 days. Although the MCA has given the exemption for the time gap amid COVID pandemic vide General Circular No. 08/2021, there is no specific circular from SEBI relaxing the time gap of 120 days and hence included in the report.

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

We further report that :-

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. During the period under review, no changes in the composition of the Board of Directors took place.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- As per the minutes of the Board Meetings and Committee Meetings, the decisions of the Board and Committee as the case may be were unanimous and no dissenting views have been recorded.

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



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

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

for A. S. Ramkumar & Associates
Company Secretaries

Sd/-

Arun Marepally

Partner

ACS 53561, CP. 19797

UDIN: A053561D000369096

Peer Review Cer. No.: 622/2019

Place: Hyderabad

Date: 23.05.2022

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

Annexure A

To,

The Members

Apex Frozen Foods Limited

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

1. It is the responsibility of the Management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. We believe that audit evidence and information provided by the Company's Management is adequate and appropriate for us to provide a basis for our opinion.
6. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
7. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

for A. S. Ramkumar & Associates
Company Secretaries

Sd/-

Arun Marepally

Partner

ACS 53561, CP. 19797

UDIN: A053561D000369096

Peer Review Cer. No.: 622/2019

Place: Hyderabad

Date: 23.05.2022

Management Discussion and Analysis

Disclaimer

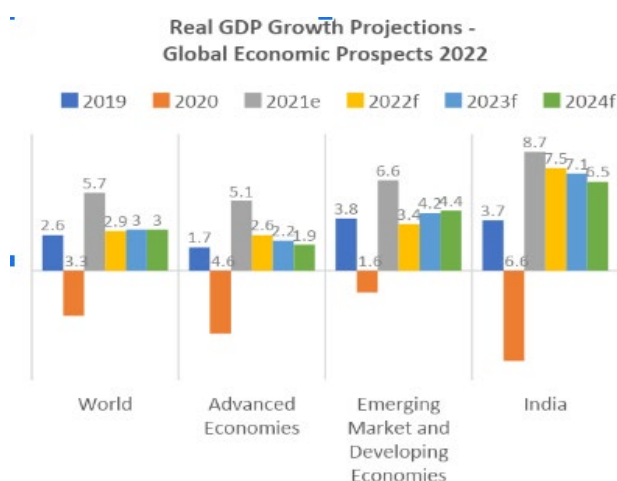
This section contains a discussion on the opinions and perceptions of the Management on the trends that impact the Company. It has been collated from information available publicly and reports by various nodal and governmental agencies that the management believes to be accurate at the time of publishing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

A. ECONOMIC ENVIRONMENT

The global economy continues to be on the path of recovery, but the momentum has seen temporary signs of weakness given the global geopolitical scenario. Outbreaks of the Covid-19 pandemic in critical links of the global supply chain has resulted in longer-than-anticipated supply disruptions causing inflationary pressures as well as adding complexity to economic recoveries of several economies.

The World Bank estimates that the outlook for the near-term is promising, with the real GDP of the world expected to grow by 3.0% in 2023 and 2024. This would be driven by growth in the Asian and the USA markets and recoveries from the pandemic throughout the rest of the world.

India's growth coming of the pandemic saw strong momentum build up in the second quarter of the Fiscal 2022 with pent up demand driving strong growth, especially in the festive season. Subsequently, with geopolitical and inflationary pressures, the growth is expected to taper to around 7.1% in 2023. (Source: Global Economic Prospects, World Bank)



Source: World Bank Report

B. INDUSTRY OVERVIEW

The Global Marine Industry saw a recovery after a potentially challenging year that saw several production and supply related disruptions due to Covid-19. The key industries that contribute to the bulk of the market, i.e. HORECA and retail trade, both saw a return of consumers as restrictions were eased across the world. On the back of this, Marine Exports from India went to an all time high of ^{MD}US\$7.7 billion

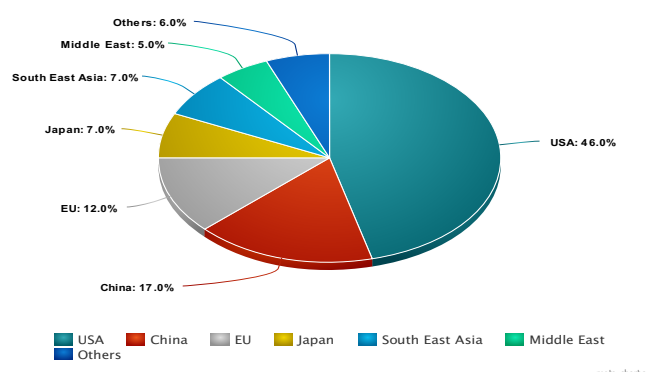
Indian Marine Exports – Highest Ever Exports in Fiscal 2022



Source: MPEDA; In Rs billion

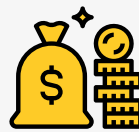
During Fiscal 2022, India exported marine products to over 120 countries with the USA continuing to be the top destination for exports. Markets such as the European Union and China continued growing. With the global demand for animal protein turning more towards seafood, the past year saw a strong resurgence in demand from all quarters.

Marine Product Exports – Country Wise Performance





0.35 times
DEBT EQUITY RATIO



3.4 times
INTEREST COVERAGE RATIO

Global shrimp trade in 2021 was characterized with good consumption and strong imports in the United States of America, the single largest world market for shrimp. The larger food service markets in the USA saw a revival of demand. Reefer containers that are used for transporting finished products to customers in export markets caused delays in shipment schedule in addition to increased costs.

However, the most promising factor that has emerged in

the past few months of Fiscal 2022 was the strong and potent demand that continued to increase. Shrimp prices too have remained mostly stable, and this has helped the industry as whole and your Company in particular.

In India too, stable farm gate prices (at higher levels) has helped in enthusing the entire supply chain and production levels continued to rise at the end of Fiscal 2022.

Outlook Fiscal 2023

Production: With stable prices, and strong order visibility, production in Fiscal 2023 should see a significant increase to cater to the demand. For the Industry, we anticipate an increase of 15-20% in production.

Demand: Demand for processed as well as value added variants will see strong growth as a few factors play out in the geo-political sphere. On the one hand, due to inflationary pressures, countries will be seeking to bolster their animal protein stock, and this should drive demand, while on the other hand, as things begin to return to normal, key markets such as the USA and the European Union will continue to drive strong growth in demand for shrimp.

C. BUSINESS OVERVIEW

Company overview:

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

The Company's well-integrated operations include three Hatcheries with a combined breeding capacity of about 1.2 to 1.4 billion SPF seeds, Shrimp Pre-processing, and Processing capacity of 29,240 MTPA and Cold storage capacity of 3,500 MT.

The Company's total employee strength as of March 2022 stood at 3462.

Fiscal 2022 and Outlook

The previous financial year saw strong momentum in demand for our RTE and value-added products. The product mix has also seen an improvement with the



**10%****OPERATING PROFIT MARGIN****4.4%****NET PROFIT MARGIN**

RTE and value-added products increasing their share in overall revenues. To cater to this demand, the Company is increasing capacity for RTE products from 5,000 metric tonnes to 10,000 metric tonnes per annum. Our new state-of-the-art facility located at Ragampeta near Kakinada has been designed to handle this expansion. And hence we do not expect this to be a capex heavy expansion.

While our entire production setup was in place, our growth was curtailed by the availability of reefer containers. To partially overcome this problem, we have signed new service contracts so that we could get access to more equipment in the forthcoming financial year. We believe that the forthcoming year would allow us to truly capitalise on the burgeoning industry prospects.

D. OPPORTUNITIES AND THREATS

Opportunities

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

Threats

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

E. RISK MANAGEMENT

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

Foreign Exchange Risk

The Company is exposed to foreign exchange rate risk as

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

Liquidity Risk

The Company's approach to managing liquidity is to ensure, as far as possible, to have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to our reputation. The Company has thus far managed to ensure that relationships with customers and suppliers are cordial and will continue working on that ethos.

F. INTERNAL CONTROL SYSTEMS

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

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

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





39% YoY
GROWTH IN RTE SALES



2,364 MT
RTE PRODUCTS SOLD

G. Discussion on financial performance and key financial ratios

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

The total volumes sold grew by 3% YoY to 12,067 MT in Fiscal 2022, of which, RTE sales grew by 39% YoY to 2,364 MT and formed almost 20% of overall sales volumes

from almost 15% share in Fiscal 2021. Due to this improved product mix led better realisations, the total income increased by 12% YoY to Rs. 914 Cr in Fiscal 2022 from Rs 819 Cr in Fiscal 2021. The overall profitability was lower largely due to reduced export incentives, increased sales

Key Financial Ratios

Pursuant to Schedule V(B) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Expenses and higher finance costs due to higher working capital requirement.

| Financial Ratio | Fiscal 2022 | Fiscal 2021 |
|---------------------------------|-------------|-------------|
| Operating Profit Margin(%) | 9.9% | 11.9% |
| Net Profit Margin(%) | 4.4% | 5.4% |
| Debtors Turnover (times) | 6.3 | 7.0 |
| Inventory Turnover (times) | 5.0 | 4.7 |
| Current Ratio (times) | 2.4 | 2.0 |
| Interest Coverage Ratio (times) | 3.4 | 3.8 |
| Debt-Equity Ratio (times) | 0.35 | 0.38 |
| Return on Net-worth (%) | 9.0% | 10.6% |

Notes:

1. Profit margins impacted due to higher sales expenses (freight costs) and finance costs on account of higher working capital requirement
2. Debtor and Inventory Turnover ratio have been calculated based on Net Revenue
3. Debtor Turnover reduced due to receivables of MEIS benefit and Covid-19 led delayed shipments leading to longer payment cycle in few of the customer accounts
4. Current ratio increased due to higher inventory and lower payable levels
5. Interest coverage ratio lowered as finance cost increased in-line with increased debt, largely to meet working capital requirements
6. Lower profitability affected return on equity



Financial Statements



Independent Auditor's Report

To the Members of Apex Frozen Foods Limited

Report on the Audit of the Standalone Financial statements

Opinion

We have audited the accompanying standalone financial statements of Apex Frozen Foods Limited ("the Company"), which comprise the Balance Sheet as at Mar 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 Mar 2022, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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



| Sl.No. | Key Audit Matter | Auditor's Response |
|--------|--|--|
| 1. | <p>Inventory of Finished Goods: Consists of processed prawn.</p> <p>Inventories were considered as Key Audit Matter due to huge value and valuation involves management judgement and possibilities of obsolescence due to nature of commodity.</p> <p>Physical verification of inventories of finished goods was not physically done by us as at end of the year.</p> | <p>We have followed the below mentioned Audit Procedures to address the risk of material error if any:</p> <ul style="list-style-type: none"> Evaluated the design and implementation of the controls over physical verification of above mentioned inventories of finished goods and suggested for implementation of various procedures for operative effectiveness of these controls during the year at regular intervals. Management had carried out the physical verification of inventories along with the Independent CA firm every quarter. Valuation is also certified by the Independent CA firm and ensured that value adopted is as per the Accounting Standards. We undertook test checks based on records maintained. Assessed the compliance of company's accounting policies over inventory with applicable accounting standards Verified the inventory valuation that was recorded at the lower of cost and net realizable value by testing sample of inventory items. |

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report and Management Discussion and Analysis Report, but does not include the standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence

the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual financial results.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of



Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

- d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors as on Mar 31, 2022 taken on record by the Board of Directors, none of the directors are disqualified as on Mar 31, 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position in its standalone Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

Sd/-
(CA.BODA ANAND KUMAR)
Partner
Membership No: 029123
UDIN:22029123ALFHYT5293

Place: KAKINADA
Date: 23-05-2022

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

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

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

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

Auditor’s Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion



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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at Mar 31, 2022, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Place: KAKINADA
Date: 23-05-2022

Sd/-
(CA.BODA ANAND KUMAR)
Partner
Membership No: 029123
UDIN: 22029123ALFHYT5293

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

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

- i. a) A. The Company has maintained records showing particulars, including quantitative details and situation of property, plant and equipment. However, additions during the year with details of plant, machinery and other assets are yet to be incorporated in fixed assets register.
B. No intangible Assets
- b) With regard to physical verification of fixed assets as per information made available, the physical verification is not done by the management during the financial year 2021-2022.
- (c) According to the information and explanations given to us and the records examined by us we report that the title deeds of immovable properties are held in the name of the company as at Balance Sheet date. However, it is observed that the title deeds of the factory land at Panasapadu, East Godavari, Andhra Pradesh continued to be in the name of the Partnership Firm M/s. Apex Exports which is an erstwhile firm converted as company under Part IX of the Companies act, 1956 in March, 2012.
- (d) 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 revalued its Property, plant and equipment (including Right-of-use assets) during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the company, there are no proceedings initiated or pending against the company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii. (a) According to the information and explanation given to us, the inventory has been physically verified by the independent audit firm and management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory. However, we report that maintenance of day to day records of inventory is to be improved and access controls are to be improved to ensure integrity of the data.
- (b) 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 been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets and details reported in such statements submitted to bank are in agreement with books.
- 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 made any investments, provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year.

- iv. According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013. Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to loans given and investments made.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- vi. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the products manufactured by it (and/ or services provided by it). Accordingly, clause 3(vi) of the Order is not applicable.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.
(b) According to the information and given to us, there are no dues of income tax, goods & service tax, Duty of Customs, duty of excise, outstanding on account of any dispute.
- viii. 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 surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income tax act, 1961 as income during the year except income on account of export benefit by name RoDTEP relating to the 4th quarter of FY 2020-2021 amounting to RS. 3.75 cr. Which is included in the income of current year under the head export benefits grouped in the Other income. Due to ambiguity and uncertainty of certain issues in the scheme, such benefit is not recognized as income in the earlier year.
- ix. a According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable.
b 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 been declared a willful defaulter by any bank or financial institution or government or government authority
c According to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.
d According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that funds raised on short-term basis by the Company are not used for long term purposes.
e According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.
f According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.
- x. (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
(b) 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 made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- xi. a Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
b According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
c According to the information and explanations given to us, there are no whistle-blower complaints during the year by the company.
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.



- xiii. In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, wherever applicable. However, with regard to disclosure of the related party transactions as required by the applicable Indian Accounting Standards, it is already disclosed by the company in the notes of accounts.
- xiv. a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, 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, clause 3(xvi)(a) of the Order is not applicable.
(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
(c) 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.
(d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- xvii. The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due. However, it is observed that there are few financial assets in the form of loans and advances to the employees, suppliers and other business associates which are outstanding for more than reasonable period. But management is of the opinion that such financial assets are realizable in full and no provisioning is required. Such amounts are not material amounts affecting the capability of the company to meet its financial obligations in time.
- xx. With regard to compliance of provisions of section 135 of the Companies act, 2013, It is observed that the company has not filed Form CSR – 2 for the FY ending 31-03-2021 before the due date and the same is also yet to be filed for the year ending 31-03-2022 as on reporting date due to which compliance is not verifiable in full. It is observed that, there is certain unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 relating to ongoing projects. However, the same is transferred to a separate account for this purpose opened with HDFC bank – Kakinada branch under ref. no. – 50200058018013 as on the reporting date.

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

Sd/-
(CA.BODA ANAND KUMAR)
Partner
Membership No: 029123
UDIN: 22029123ALFHYT5293

Place: KAKINADA
Date: 23-05-2022



Balance Sheet

Balance Sheet as at 31st March, 2022

(Rs. in Lakhs)

| Particulars | Note | As at 31 st March, 2022 | As at 31 st March, 2021 |
|--------------------------------------|------|------------------------------------|------------------------------------|
| I. Assets | | | |
| Non-current Assets | | | |
| (a) Property, Plant and Equipment | 3 | 23,604.81 | 25,040.32 |
| (b) Capital Work-In-Progress | 3 | 2,186.72 | 1,538.74 |
| (c) Other Non-current Assets | 4 | 262.99 | 266.61 |
| (d) Deferred Tax Asset (Net) | 5 | 132.82 | 231.04 |
| Total Non-Current Assets | | 26,187.34 | 27,076.71 |
| Current Assets | | | |
| (a) Inventories | 6 | 20,283.27 | 16,120.08 |
| (b) Financial Assets | | | |
| (i) Trade Receivables | 7 | 13,200.30 | 15,050.96 |
| (ii) Cash and Cash Equivalents | 8 | 744.61 | 989.38 |
| (iii) Other financial assets | 9 | 3,277.63 | 2,673.30 |
| (c) Current tax Asset (Net) | | - | - |
| (d) Other Current Assets | 10 | 4,241.98 | 3,767.99 |
| Total Current Assets | | 41,747.79 | 38,601.71 |
| Total Assets | | 67,935.13 | 65,678.42 |
| II. Equity & liabilities | | | |
| Equity | | | |
| (a) Equity Share Capital | 11 | 3,125.00 | 3,125.00 |
| (b) Other Equity | 12 | 44,417.94 | 40,856.94 |
| Liabilities | | | |
| Non-Current Liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 13 | 2,911.93 | 2,806.08 |
| (b) Deferred Tax Liabilities (Net) | 5 | - | - |
| (c) Other Non-Current Liabilities | | | |
| Total Non-Current Liabilities | | 2,911.93 | 2,806.08 |

(contd..)

| Particulars | Note | As at 31 st March, 2022 | As at 31 st March, 2021 |
|--|------|------------------------------------|------------------------------------|
| Current Liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 14 | 13,607.76 | 13,801.87 |
| (ii) Trade Payables | | | |
| (A) total outstanding dues of micro enterprises and small enterprises | 15 | 350.29 | 317.75 |
| (B) total outstanding dues of creditors other than micro enterprises and small enterprises | 15 | 1,742.71 | 2,680.30 |
| (iii) Lease Liability | | - | - |
| (iv) Other Financial Liabilities | 16 | 159.21 | 183.67 |
| (b) Provisions | 17 | 1,366.58 | 1,347.17 |
| (c) Current Tax Liability (Net) | 18 | 253.71 | 559.64 |
| Total Current Liabilities | | 17,480.26 | 18,890.40 |
| Total Equity and Liabilities | | 67,935.13 | 65,678.42 |

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

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

For and on behalf of the Board of directors

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

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

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

Place: Kakinada
Date: 23-05-2022

Sd/-
S. Sarojini
Company Secretary

Sd/-
Ch.Vijay Kumar
CFO



Statement of Profit & Loss

Statement of Profit & Loss for the year ended 31st March, 2022

(Rs. in Lakhs)

| Particulars | Note | For the year ended 31 st March, 2022 | For the year ended 31 st March, 2021 |
|--|------|--|--|
| Revenue | | | |
| (a) Revenue from Operations | 19 | 91,420.28 | 81,848.41 |
| (b) Other Income | 20 | 1,279.47 | 752.84 |
| Total Revenue | | 92,699.75 | 82,601.25 |
| Expenses | | | |
| (a) Cost of Materials consumed | 21 | 65,661.79 | 53,029.94 |
| (b) Changes in Inventories | 22 | -4,163.19 | 2,284.91 |
| (c) Employee Benefits Expense | 23 | 4,304.83 | 3,981.12 |
| (d) Finance Cost | 24 | 1,737.76 | 1,591.51 |
| (e) Depreciation and Amortization expense | 25 | 1,851.01 | 2,194.55 |
| (f) Other Expenses | 26 | 17,686.40 | 13,459.01 |
| Total Expenses | | 87,078.60 | 76,541.04 |
| Profit / (Loss) before exceptional items and tax | | 5,621.15 | 6,060.21 |
| Exceptional items | | - | - |
| Profit/(Loss) before tax | | 5,621.15 | 6,060.21 |
| Tax Expenses | | | |
| 1. Current tax | | 1,414.86 | 1,525.36 |
| 2. Deferred tax | 5 | 98.22 | 106.33 |
| Total Tax Expenses | | 1,513.08 | 1,631.69 |
| Net Profit/(Loss) for the period after tax | | 4,108.07 | 4,428.52 |
| Other Comprehensive Income | | | |
| A. (1) Items that will not be reclassified subsequently to profit or loss | | 669.02 | -32.79 |
| (2) Income tax relating to the items that will not be reclassified to profit or loss | | - | - |
| B. (1) Items that will be reclassified subsequently to profit or loss | | - | - |
| (2) Income tax relating to the items that will be reclassified to profit or loss | | - | - |
| Other Comprehensive Income (net of tax expense) | | 669.02 | -32.79 |
| Total Comprehensive Income after tax | | 4,777.09 | 4,395.73 |
| Earnings Per Equity share | 27 | | |
| (a) Basic | | 13.15 | 14.17 |
| (b) Diluted | | 13.15 | 14.17 |

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

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

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

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

For and on behalf of the Board of
directors

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

Place: Kakinada
Date: 23-05-2022

Sd/-
S. Sarojini
Company Secretary

Sd/-
Ch.Vijay Kumar
CFO



Statement of Changes in Equity for the year ended 31st March, 2022

a. Equity

(Rs. in Lakhs)

| Balance as at 1 st April 2021 | Change in equity share capital due to prior period errors | Restated balance as at 1 st April 2021 | Changes in equity share capital during the year | Balance as at 31 st March 2022 |
|--|---|---|---|---|
| 3,125.00 | - | 3,125.00 | - | 3,125.00 |

(Rs. in Lakhs)

| Balance as at 1 st April 2020 | | Restated balance as at 1 st April 2021 | Changes in equity share capital during the year | Balance as at 31 st March 2021 |
|--|---|---|---|---|
| 3,125.00 | - | 3,125.00 | - | 3,125.00 |

b. Other Equity

| Particulars | Reserves & Surplus | | | Other Comprehensive Income | Total |
|--|--------------------|-----------------|-------------------|----------------------------|-----------|
| | Securities Premium | General Reserve | Retained Earnings | | |
| Balance as at 1st April 2021 | 11,039.05 | 1,000.00 | 28,850.70 | (32.79) | 40,856.96 |
| Previous year adjustments to retained earnings | - | - | (32.79) | 32.79 | - |
| Add: Profit for the Year | - | - | 4,108.16 | - | 4,108.16 |
| Add: Other Comprehensive Income/ (loss) | - | - | - | 669.02 | 669.02 |
| Total Comprehensive income | 11,039.05 | 1,000.00 | 32,926.07 | 669.02 | 45,634.14 |
| Less: Dividend Declared during the year | - | - | 625.00 | - | 625.00 |
| Less: Other Comprehensive Income adjustments of Previous years | - | - | 591.17 | - | 591.17 |
| Balance as at 31st March 2022 | 11,039.05 | 1,000.00 | 31,709.90 | 669.02 | 44,417.97 |

b. Other Equity

| Particulars | Reserves & Surplus | | | Other Comprehensive Income | Total |
|--|--------------------|-----------------|-------------------|----------------------------|-----------|
| | Securities Premium | General Reserve | Retained Earnings | | |
| Balance as at 1 st April 2020 | 11,039.05 | 1,000.00 | 24,422.18 | - | 36,461.23 |
| Previous year adjustments to retained earnings | - | - | - | - | - |
| Add: Profit for the Year | - | - | 4,428.52 | - | 4,428.52 |
| Add: Other Comprehensive Income/ (loss) | - | - | - | (32.79) | -32.79 |
| Total Comprehensive income | 11,039.05 | 1,000.00 | 28,850.70 | (32.79) | 40,856.96 |
| Less: Other Comprehensive Income adjustments of Previous years | - | - | - | - | - |
| Balance as at 31 st March 2021 | 11,039.05 | 1,000.00 | 28,850.70 | (32.79) | 40,856.96 |

As per our report of even date

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

For and on behalf of the Board of directors

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

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

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

Place: Kakinada
Date: 23-05-2022

Sd/-
S. Sarojini
Company Secretary

Sd/-
Ch.Vijay Kumar
CFO



Statement of Cash Flows

for the year ended 31st March, 2022

(Rs. in Lakhs)

| Particulars | For the year ended 31 st March, 2022 | For the year ended 31 st March, 2021 |
|---|--|--|
| A. Cash Flow from Operating Activities | | |
| Profit before tax | 5,621.15 | 6,060.21 |
| Adjustment for: | | |
| Depreciation and amortisation expenses | 1,851.01 | 2,194.55 |
| Finance Cost | 1,737.76 | 1,457.34 |
| Interest Income | -24.59 | -85.65 |
| Bad debts written off | 134.20 | 115.54 |
| Depreciation on Right to Use of Asset | - | -1,354.45 |
| Realised / Un realised Foreign Exchange Gain / (Loss) | -518.38 | -455.20 |
| Operating Profit before Working Capital Changes | 8,801.15 | 7,932.34 |
| Adjustments for (Increase) / Decrease in operating Assets: | | |
| Inventories | -4,163.19 | 2,284.91 |
| Trade Receivables | 1,736.64 | -7,662.23 |
| Other Financial Assets | -490.31 | -646.42 |
| Other Current and Non-Current Assets | -575.83 | 1,197.05 |
| Adjustments for Increase / (Decrease) in operating Liabilities: | | |
| Trade Payables | -905.05 | -1,535.18 |
| Other Current Financial Liabilities | -218.57 | -220.10 |
| Other Current and Non-Current Liabilities | -200.08 | 399.79 |
| Provisions | 19.41 | 353.41 |
| Cash generated from Operations | 4,004.17 | 2,103.57 |
| Income Taxes Paid (Net) | -1,161.15 | -811.56 |
| Net Cash Generated from Operating Activities (A) | 2,843.02 | 1,292.01 |
| B. Cash Flow From Investing Activities | | |
| Acquisition of Property, Plant and Equipment & Intangible Assets | -1,063.50 | -1,258.96 |
| Proceeds from Sale of Property, Plant and Equipment | - | - |
| Interest received on Deposits and Others | 24.59 | -141.83 |
| Net Cash Generated from/(used in) Investing Activities (B) | -1,038.91 | -1,400.79 |
| C. Cash Flow From Financing Activities | | |
| Proceeds / (Repayment) of borrowings from Banks | -311.12 | 1,832.20 |
| Finance Costs | -1,737.76 | -1,457.34 |
| Net Cash Flow from Financing Activities (C) | -2,048.88 | 374.86 |
| Net Increase / (Decrease) in Cash and Cash equivalents (A+B+C) | -244.77 | 266.08 |
| Cash and Cash equivalents at the begening of the year | 989.38 | 723.30 |
| Cash and Cash equivalents at the end of the year (Refer Note-(i) below) | 744.61 | 989.38 |
| Note (i) Cash and Cash equivalents comprises of : | | |
| Cash-in-Hand | 70.08 | 30.01 |
| Balances with Banks | 674.53 | 959.37 |

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

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

The accompanying notes are an integral part of the financial statements

As per our report of even date

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

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

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

For and on behalf of the Board of directors

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

Place: Kakinada
Date: 23-05-2022

Sd/-
S. Sarojini
Company Secretary

Sd/-
Ch.Vijay Kumar
CFO



Notes to Financial Statements

for the year ended 31st March, 2022

1. Corporate information

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

| | | |
|------|----------------------------------|----------------------|
| i. | Mr.Satyanarayana Murthy Karuturi | Managing Director |
| ii. | Mr.SubrahmanyaChowdaryKaruturi | Whole Time Director |
| iii. | Mrs.Neelima Devi Karuturi | Whole Time Director |
| iv. | Mrs.DeepthiTalluri | Independent Director |
| v. | Mr.Govindareddy Krishnamoorthy | Independent Director |
| vi. | Mr.B. Raghavula Naidu | Independent Director |

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

The Company has its listings on the Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd. The Financial statements of the company are approved for issue by the company's board of directors on 23rd May, 2022.

2. Basis of Preparation of financial statements and Significant Accounting Policies

2.1 Basis of Preparation and compliance with Ind AS

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

2.2 Significant account policies

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

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

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

i. Basis of Measurement

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

Fair Value Measurement:

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

market, in the most advantageous market for the asset or liability. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

ii. Foreign currency translation

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

iii. Revenue Recognition

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

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

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

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

iv. Income Taxes

The income tax expense is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to the unused tax losses. Provision for current tax is made in accordance with provisions of the Income-tax Act, 1961.

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

Deferred Tax is provided in full on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. It is determined using tax rates that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred tax liability is settled.

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

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



v. Leases

There are no reportable leases during the year.

vi. Impairment of Assets

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

vii. Cash and Cash Equivalents

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

viii. Trade Receivables

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

ix. Bad Debts

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

x. Inventories

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

xi. Other Financial Assets

Other Financial Assets includes Export Incentives Receivable by the Company as at the end of the reporting period.

xii. Property, Plant and Equipment:

a) Property, Plant and Equipment

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

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

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

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

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. However such review with regard to certain movable assets related to discontinued shrimp farming activity is yet to be done.

b) Capital Work in progress

Assets in the course of construction are capitalized to capital work in progress account. At the point when an asset is capable of operating in the manner intended by the management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalized when the asset is available for use.

c) Depreciation

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

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

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

xiii. Trade and Other Payables

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

xiv. Borrowing Cost

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

xv. Borrowings

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

xvi. Provisions:

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

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

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

xvii. Employee Benefits:

Gratuity:

Gratuity is provided for the year under Defined Benefit Gratuity Plan as per the Actuarial valuation. The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

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

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

Provident Fund & E.S.I:

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

xviii. Contributed Equity

Equity shares are classified as equity.

xix. Dividend:

The Board of directors at its meeting held on 23rd May, 2022 recommended a final dividend of Rs. 2.50 per equity share for the financial year ended March 31, 2022.



xx. Earnings Per Share

a) Basic Earnings Per Share:

Basic Earnings per share is calculated by dividing the Profit attributable to Owners of the Company by the weighted average number of equity shares outstanding during the financial year.

b) Diluted Earnings Per Share:

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

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming conversion of all dilutive potential equity shares.

xxi. Rounding of Amounts

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

xxii. Critical Estimates & Judgements

Areas involving critical estimates:

- Estimation of defined benefit obligation, refer note 28



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

(Rs. in Lakhs)

| Particulars | Land | Factory Build-ings | Build- ing Oth- erthan Fac- tory Build- ings | Plant & Ma- chinery | Com- put- ers | Furni- ture & Fixtures | Vehicles | Total | Capital Work -In-Pro- gress | Lease Hold Land Amor- tisa- tion | Grand Total |
|--|----------|--------------------|--|---------------------|---------------|------------------------|----------|-----------|-----------------------------|----------------------------------|-------------|
| Gross Block | | | | | | | | | | | |
| Closing Gross carrying amount as at 31st March, 2020 | 3,723.15 | 7,178.50 | 3,902.31 | 12,477.90 | 81.05 | 1,812.76 | 2,236.57 | 31,412.24 | 279.78 | 368.57 | 32,060.59 |
| Additions | 144.67 | 41.36 | 90.63 | 146.14 | 18.18 | 15.33 | 124.90 | 581.21 | 1,287.03 | - | 1,868.24 |
| Disposals | - | 0.15 | - | 2.46 | - | - | 10.29 | 12.90 | 28.07 | - | 40.97 |
| Closing Gross carrying amount as at 31st March, 2021 | 3,867.82 | 7,219.72 | 3,992.94 | 12,621.58 | 99.23 | 1,828.08 | 2,351.18 | 31,980.55 | 1,538.74 | 368.57 | 33,887.86 |
| Additions | - | 0.59 | 2.89 | 169.83 | 6.99 | 1.73 | 260.40 | 442.43 | 647.98 | - | 1,090.41 |
| Disposals | - | - | - | - | - | - | 26.91 | 26.91 | - | - | 26.91 |
| Closing Gross carrying amount as at 31st March, 2022 | 3,867.82 | 7,220.31 | 3,995.83 | 12,791.41 | 106.22 | 1,829.81 | 2,584.67 | 32,396.07 | 2,186.72 | 368.57 | 34,951.36 |
| Depreciation Balance as at 31st March, 2020 | - | 307.20 | 38.70 | 2,938.26 | 30.07 | 545.29 | 1,105.05 | 4,964.56 | - | 149.69 | 5,114.26 |
| Depreciation/ Amorti- sation for the Year | - | 323.01 | 63.09 | 1,126.72 | 19.18 | 124.08 | 319.59 | 1,975.67 | - | 218.87 | 2,194.55 |
| Disposals | - | - | - | - | - | - | - | - | - | - | - |
| Balance as at 31st March, 2021 | - | 630.21 | 101.80 | 4,064.98 | 49.25 | 669.37 | 1,424.64 | 6,940.24 | - | 368.56 | 7,308.80 |
| Depreciation/ Amorti- sation for the Year | - | 323.55 | 63.17 | 1,059.81 | 21.36 | 78.65 | 304.47 | 1,851.01 | - | - | 1,851.01 |
| Disposals | - | - | - | - | - | - | - | - | - | - | - |
| Balance as at 31st March, 2022 | - | 953.76 | 164.97 | 5,124.79 | 70.61 | 748.02 | 1,729.11 | 8,791.26 | - | 368.56 | 9,159.83 |
| Net Carrying amount | 3,723.15 | 6,871.30 | 3,863.60 | 9,539.65 | 50.99 | 1,267.46 | 1,131.52 | 26,447.67 | 279.78 | 218.88 | 26,946.33 |
| As at March 31, 2020 | 3,867.82 | 6,589.51 | 3,891.15 | 8,556.60 | 49.98 | 1,158.71 | 926.55 | 25,040.31 | 1,538.74 | 0.00 | 26,579.06 |
| As at March 31, 2021 | 3,867.82 | 6,266.55 | 3,830.86 | 7,666.62 | 35.61 | 1,081.79 | 855.56 | 23,604.81 | 2,186.72 | 0.00 | 25,791.53 |
| As at March 31, 2022 | | | | | | | | | | | |



| 4. Other Non-current Assets (Rs. in Lakhs) | | |
|--|---------------------------------------|---------------------------------------|
| Particulars | As at 31 st March, 2022 | As at 31 st March, 2021 |
| Advances for Lands | 262.99 | 266.61 |
| Total | 262.99 | 266.61 |

The above advances represents payments made to 9 different parties towards purchase of lands amounting to Rs. 238.51 lakhs and stamp duty of RS. 24.48 lakhs also paid for the purpose of registration for some of the said items. Due to various reasons, registrations are not done and company is pursuing for getting registration of the property or for recovery of advance

| 5. Net Deferred Tax Asset / (Liability) (Rs. in Lakhs) | | | | |
|--|--------------------|--------------------------------|--|-----------------|
| Particulars | Opening Balance | Recognised in Profit & Loss | Recognised in Other Comprehensive Income | Closing Balance |
| Deferred Tax Asset/ Liability for the Year ended March 31, 2021 | | | | |
| Depreciation & Amortisation | 337.39 | (106.35) | - | 231.04 |
| Total | 337.99 | (106.35) | - | 231.04 |
| Deferred Tax Asset/ Liability for the Year ended March 31, 2022 | | | | |
| Depreciation & Amortisation | 231.04 | (98.22) | - | 132.82 |
| Total | 231.04 | (98.22) | - | 132.82 |

| 6. Inventories (Rs. in Lakhs) | | |
|---------------------------------------|---------------------------------------|---------------------------------------|
| Particulars | As at 31 st March, 2022 | As at 31 st March, 2021 |
| Farming and Hatchery Work-in-progress | 123.44 | 155.82 |
| Finished goods | 19,607.99 | 15,535.64 |
| Stores & Spares | 551.84 | 428.62 |
| Total | 20,283.27 | 16,120.08 |

Major part of the inventory is finished goods representing value of processed shrimp kept in cold storages. There are no stocks of semi-finished or unprocessed stock of shrimp at the end of the year.

Work-in-progress represents cost involved towards un-harvested crops of seeds in hatcheries owned by the company as at end of the year.

The inventory of stores and spares represents value of packing material, chemicals and consumables in the processing plants located in Kakinada, G.Ragampeta and pre-processing facility at Tallarevu and also in hatcheries at Alagayapalem, Dibbalapalem and Ulavapadu.

| 7. Trade Receivables | | (Rs. in Lakhs) | |
|--------------------------|--|---------------------------------------|---------------------------------------|
| Particulars | | As at 31 st March, 2022 | As at 31 st March, 2021 |
| Export Debtors | | 12,590.75 | 14,248.99 |
| Hatchery & Other Debtors | | 609.55 | 801.97 |
| Total | | 13,200.30 | 15,050.96 |

Trade receivables consists of Export debtors on account of processed shrimp exported.
Hatcheries and other debtors includes receivables on account of sale of seeds, Naupli.

Ageing for trade receivables – current outstanding as at March 31, 2022 is as follows:

(Rs.in Lakhs)

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|------------------------------------|--|---------------------|-----------|-----------|-------------------------|------------------|
| | Less than 6 months | 6 months -1 year | 1-2 Years | 2-3 years | More than 3 years | |
| Trade Receivables: | | | | | | |
| (i) Undisputed trade receivables | 12,600.85 | 44.53 | - | - | - | 12,645.38 |
| - considered good | | | | | | |
| (ii) Undisputed trade receivables | - | - | 228.20 | 93.88 | 232.84 | 554.92 |
| - which have significant | | | | | | |
| increase in credit risk | | | | | | |
| (iii) Undisputed trade receivables | - | - | - | - | - | - |
| - credit impaired | | | | | | |
| (iv) Disputed trade receivables | - | - | - | - | - | - |
| - considered good | | | | | | |
| (v) Disputed trade receivables | - | - | - | - | - | - |
| - which have significant | | | | | | |
| increase in credit risk | | | | | | |
| (vi) Disputed trade receivables | - | - | - | - | - | - |
| - credit impaired | | | | | | |
| (vi) Disputed trade receivables | - | - | - | - | - | - |
| - credit impaired | | | | | | |
| | | | | | | 13,200.30 |



Ageing for trade receivables – current outstanding as at March 31, 2021 is as follows:

(In Lakhs)

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|--|--|------------------|-----------|-----------|-------------------|-----------|
| | Less than 6 months | 6 months -1 year | 1-2 Years | 2-3 years | More than 3 years | |
| Trade Receivables: | | | | | | |
| (i) Undisputed trade receivables | 14,635.55 | 0.72 | - | - | - | 14,636.27 |
| - considered good | | | | | | |
| (ii) Undisputed trade receivables | - | - | 140.67 | 185.73 | 88.28 | 414.68 |
| - which have significant increase in credit risk | | | | | | |
| (iii) Undisputed trade receivables | - | - | - | - | - | - |
| - credit impaired | | | | | | |
| (iv) Disputed trade receivables | - | - | - | - | - | - |
| - considered good | | | | | | |
| (v) Disputed trade receivables | - | - | - | - | - | - |
| - which have significant increase in credit risk | | | | | | |
| (vi) Disputed trade receivables | - | - | - | - | - | - |
| - credit impaired | | | | | | |
| (vi) Disputed trade receivables | - | - | - | - | - | - |
| - credit impaired | | | | | | |
| | | | | | | 15,050.96 |

| 8. Cash & Cash Equivalents | | (Rs. in Lakhs) |
|---------------------------------------|------------------------------------|------------------------------------|
| Particulars | As at 31 st March, 2022 | As at 31 st March, 2021 |
| Balances with Scheduled Banks: | | |
| Current Accounts | 182.19 | 234.41 |
| Margin Deposits | 492.34 | 724.96 |
| Cash in Hand | 70.08 | 30.01 |
| Total | 744.61 | 989.38 |

| 9. Other Financial Assets | | (Rs. in Lakhs) |
|------------------------------|------------------------------------|------------------------------------|
| Particulars | As at 31 st March, 2022 | As at 31 st March, 2021 |
| Export Incentive receivables | 3,277.63 | 2,673.30 |
| Total | 3,277.63 | 2,673.30 |

The company is entitled for various export incentives from the Government of India on various schemes sanctioned from time to time. The above export incentives reported includes export benefit by name Merchandise Export from India Scheme (MEIS) to an extent of Rs. 1,599.06 lakhs old scheme which is discontinued and Rs. 1,156.64 lakhs on account of Remission of duties & taxes on export product (RoDTEP) scheme which is introduced from January, 2021.

The incentives in both the cases are in the form of grant of duty credit scrips from DGFT. The said scrips are in turn, encashed by way of sale to importers at agreed rate. Accordingly, the entitlement of scrips which are saleable is recognised as income on accrual basis at percentage prevailing in the market as at end of the year.

| 10. Other Current Assets | | (Rs. in Lakhs) |
|--|------------------------------------|------------------------------------|
| Particulars | As at 31 st March, 2022 | As at 31 st March, 2021 |
| a. Deposits and Other Receivables | 2,696.27 | 2,484.04 |
| b. Advances to Employees and others | 1,283.97 | 903.21 |
| c. Advances to Shrimp suppliers and Hatcheries | 261.74 | 380.74 |
| Total | 4,241.98 | 3,767.99 |

(a) Deposits and Other receivables includes Rs. 621.11 lakhs paid towards income tax on account of previous assessment years for which appeals are filed before appellate authorities.

(b) Advances to employees and others also includes of Rs. 641.84 Lakhs representing advances allowed to the Key Managerial Persons of the company in the current year and earlier year as per the Board resolution Date: 07-02-2020 and as per AGM resolution Date: 19-09-2019 as per the terms and conditions mentioned therein. The said advances are continued as, such as medical insurance reimbursement is expected and pending settlement of such claims shown as receivables. The above also include advances given to certain employees left the company amounting to Rs. 149.79 Lakhs. Company is confident of recovering the same in full.



(c) Advances to Shrimp Suppliers and Hatcheries includes advances for Material supplies in the regular course of business.

| 11. Equity Share Capital (Rs. in Lakhs) | | |
|--|------------------------------------|------------------------------------|
| Particulars | As at 31 st March, 2022 | As at 31 st March, 2021 |
| Authorised 3,60,00,000 Equity Shares of Rs.10/- each (March 31st 2022: 3,60,00,000 equity shares of Rs. 10/- each) | 3,600 | 3,600 |
| 3,12,50,000 fully paid Equity Shares of Rs. 10/- each (March 31st 2022: 3,12,50,000 equity shares of Rs. 10/- each) | 3,125 | 3,125 |

| (a) Reconciliation of number of shares outstanding (Rs. in Lakhs) | | |
|---|------------------|--------|
| Particulars | Number of Shares | Amount |
| Balance as at 31st March 2020 | 3,12,50,000 | 3,125 |
| Changes in Equity Share Capital during the year | | |
| Balance as at 31st March 2021 | 3,12,50,000 | 3,125 |
| Changes in Equity Share Capital during the year | - | - |
| Balance as at 31st March 2022 | 3,12,50,000 | 3,125 |

| (b) Details of shares held by each shareholder holding more than 5% shares | | | | |
|--|-------------------------------------|--------|-----------------------------------|--------|
| Name of Shareholder | As at March 31 st , 2022 | | As at 31 st March 2021 | |
| | No. of Shares | % Held | No. of Shares | % Held |
| K.S.Murthy | 89,18,779 | 28.54 | 89,18,779 | 28.54 |
| K.Padmavathi | 40,54,853 | 12.98 | 40,54,853 | 12.98 |
| K.S.Chowdary | 96,43,828 | 30.86 | 96,43,828 | 30.86 |
| NIPPON LIFE INDIA TRUSTEE LTD A/C | | | | |
| NIPPON INDIA SMALL CAP FUND | 16,48,797 | 5.28 | 16,48,797 | 5.28 |

| (b) Details of shares held by each shareholder holding more than 5% shares | | | | | |
|--|-------------------------------------|--------|-----------------------------------|--------|--------------------------|
| Promoter Name | As at March 31 st , 2022 | | As at 31 st March 2021 | | % change during the year |
| | No. of Shares | % Held | No. of Shares | % Held | |
| SATYANARAYANA MURTHY KARUTURI | 89,18,779 | 28.54% | 89,18,779 | 28.54% | - |
| KARUTURI SUBRAHMANYA CHOWDARY | 96,43,828 | 30.86% | 96,43,828 | 30.86% | - |
| PADMAVATHI KARUTURI | 40,54,850 | 12.98% | 40,54,853 | 12.98% | - |
| KARUTURI NEELIMA DEVI | 24,000 | 0.08% | 24,000 | 0.08% | - |
| ANITHA DEVI SANKURATRI | 24,000 | 0.08% | 24,000 | 0.08% | - |
| VALLEPALLI HANUMANTHA RAO | 28,600 | 0.09% | 28,600 | 0.09% | - |
| TOTAL | 2,26,94,057 | 72.62% | 2,26,94,060 | 72.62% | - |

| 12. Other equity | | | | | (Rs. in Lakhs) |
|--|--------------------|-----------------|-------------------|----------------------------|----------------|
| Particulars | Reserves & Surplus | | | Other Comprehensive Income | Total |
| | Securities Premium | General Reserve | Retained Earnings | | |
| Balance as at 1st April 2021 | 11,039.05 | 1,000.00 | 28,850.70 | -32.79 | 40,856.96 |
| Previous year adjustments to retained earnings | - | - | -32.79 | 32.79 | - |
| Add: Profit for the Year | - | - | 4,108.16 | - | 4,108.16 |
| Add: Other Comprehensive Income/ (loss) | - | - | - | 669.02 | 669.02 |
| Total Comprehensive income | 11,039.05 | 1,000.00 | 32,926.07 | 669.02 | 45,634.14 |
| Less: Dividend Declared during the year | - | - | 625.00 | - | 625.00 |
| Less: Other Comprehensive Income adjustments of Previous years | - | - | 591.17 | - | 591.17 |
| Balance as at 31st March 2022 | 11,039.05 | 1,000.00 | 31,709.90 | 669.02 | 44,417.97 |



| 12. Other equity | | | | | (Rs. in Lakhs) |
|--|--------------------|-----------------|-------------------|----------------------------|----------------|
| Particulars | Reserves & Surplus | | | Other Comprehensive Income | Total |
| | Securities Premium | General Reserve | Retained Earnings | | |
| Balance as at 1st April 2020 | 11,039.05 | 1,000.00 | 24,422.18 | - | 36,461.23 |
| Previous year adjustments to retained earnings | - | - | - | - | - |
| Add: Profit for the Year | - | - | 4,428.52 | | 4,428.52 |
| Add: Other Comprehensive Income/ (loss) | - | - | | -32.79 | -32.79 |
| Total Comprehensive income | 11,039.05 | 1,000.00 | 28,850.70 | -32.79 | 40,856.96 |
| Less: Other Comprehensive Income adjustments of Previous years | - | - | | - | - |
| Balance as at 31st March 2021 | 11,039.05 | 1,000.00 | 28,850.70 | -32.79 | 40,856.96 |

Securities Premium Reserve:

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

Retained Earnings

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

| 13. Financial Liabilities | | (Rs in Lakhs) |
|---------------------------|------------------------------------|------------------------------------|
| Particulars | As at 31 st March, 2022 | As at 31 st March, 2021 |
| (i) Borrowings | | |
| Secured | | |
| Vehicle Loans | 163.14 | 83.63 |
| Other Long Term Loan | 2,748.79 | 2,722.45 |
| Unsecured | - | - |
| Total | 2,911.93 | 2,806.08 |

Current maturities of long-term borrowings have been disclosed under the head Other financial liabilities grouped under Current Liabilities.

Secured Borrowings

i. Long term loans includes loan from LIC of India to an extent of Rs.27.49 crores .

ii. Vehicle Loans

The Company has availed term loans for Vehicles from Banks and financial Institutions with tenor ranging from 36 to 38 Installments. As on 31st March, 2022, the Company has total such loans of Rs. 322.35 lakhs of which Rs. 159.21 lakhs has been classified under Other Financial liabilities under Financial Liabilities and Rs. 163.14 lakhs has been classified under Non-current Financial Liabilities.

| 14. Current Liabilities | | (Rs. in Lakhs) |
|---|------------------------------------|------------------------------------|
| (a) Financial Liabilities -Borrowings | | |
| Particulars | As at 31 st March, 2022 | As at 31 st March, 2021 |
| Secured | | |
| Working Capital Loans From Bank of India | 13,575.72 | 10,529.21 |
| Working Capital Loans From Bank of India (COVID-19) | 32.04 | 393.75 |
| Working Capital Loans From HDFC Bank Limited | - | 2,878.91 |
| Total | 13,607.76 | 13,801.87 |

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



| Name of the Bank | Nature of Borrowing | Limits as at | |
|------------------|---------------------|------------------------------------|------------------------------------|
| | | As at 31 st March, 2022 | As at 31 st March, 2021 |
| Bank of India | EPC | 6,000 | 3,000 |
| Bank of India | SWC | 4,000 | 4,850 |
| Bank of India | FBP | 10,000 | 4,500 |
| HDFC | PCFC | - | 5,000 |
| Total | | 20,000 | 14,000 |

EPC- Export Packing Credit

SWC- Standby Working Capital

FBP - Foreign Bill Purchase

PCFC - Packing Credit Foreign Currency

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

Primary Security

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

Collateral Securities:

Equitable mortgage of residential land & building owned by Mr.K.S.Murthy, Managing Director of the company situated at D.No.2-23-14/1, Ward no.2, Block No.2, Sarada Street, Srinagar, Kakinada.

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

Equitable mortgagage of 17762.80 sq. yds and 56047.2 sq. yds unit land and building at G. Ragampeta at R S No 209/2 and R S no 210/4 G Ragampeta village, peddapuram Mandal, East Godavari dist-533437 in the name of the company.

Factory land and building and plant and machinery situated vide Survey No.214, 271/5, 271/4 at Panasapadu village, AchampetaPanchayat, SamalkotaMandal and at Tallarevu vide Survey No.389/1 that are taken as principal security for the Term loans which are closed and continued as collateral security for the working capital limit.

Guarantors:

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

| 15. Trade Payables (Rs. in Lakhs) | | |
|--|------------------------------------|------------------------------------|
| Particulars | As at 31 st March, 2022 | As at 31 st March, 2021 |
| Total outstanding dues of Micro, Small and Medium enterprises | | |
| Packing Material Suppliers | 344.3 | 317.04 |
| Creditors for Expenses | 5.99 | 0.71 |
| Total outstanding dues of creditors other than Micro, Small and Medium enterprises | | |
| Creditors for Raw materials | 1,136.05 | 1,979.00 |
| Packing Material Suppliers | 15.3 | 43.49 |
| Creditors for Expenses | 591.36 | 657.81 |
| Total | 2,093.00 | 2,998.05 |

Credit Balances are subject to confirmation and Reconciliation.

| Ageing for trade payables – current outstanding as at March 31, 2022 is as follows: | | | | | (Rs. in Lakhs) |
|---|--|-----------|-----------|-------------------|----------------|
| Particulars | Outstanding for following periods from due date of payment | | | | Total |
| | Less than 1 year | 1-2 Years | 2-3 years | More than 3 years | |
| (i) MSME | 350.29 | - | - | - | 350.29 |
| (ii) Others | 1,737.86 | 3.97 | 0.88 | - | 1,742.71 |
| (iii) Disputed - MSME | - | - | - | - | - |
| (iv) Disputes - Others | - | - | - | - | - |
| | | | | | 2,093.00 |



Ageing for trade payables – current outstanding as at March 31, 2021 is as follows:

(Rs. in Lakhs)

| Particulars | Outstanding for following periods from due date of payment | | | | Total |
|------------------------|--|-----------|-----------|-------------------|----------|
| | Less than 1 year | 1-2 Years | 2-3 years | More than 3 years | |
| (i) MSME | 317.75 | - | - | - | 317.75 |
| (ii) Others | 2,662.91 | 6.12 | 3.85 | 7.42 | 2,680.30 |
| (iii) Disputed – MSME | - | - | - | - | - |
| (iv) Disputes – Others | - | - | - | - | - |
| | | | | | 2,998.05 |

16. Other Financial Liabilities

(Rs. in Lakhs)

| Particulars | As at 31 st March, 2022 | As at 31 st March, 2021 |
|--|------------------------------------|------------------------------------|
| Secured Current Maturities of Long-term Borrowings (refer note 13) | | |
| From Kotak Mahindra Bank – Vehicle Loans | 89.48 | 183.67 |
| From HDFC Bank – Vehicle Loans | 69.73 | - |
| Total | 159.21 | 183.67 |

17. Provisions

(Rs. in Lakhs)

| Particulars | As at 31 st March, 2022 | As at 31 st March, 2021 |
|--|------------------------------------|------------------------------------|
| Provisions for Employee Benefits Statutory and Other Provisions | 328.57 1,038.01 | 299.35 1,047.82 |
| Total | 1,366.58 | 1,347.17 |



| 18. Current Tax Liability (Net) & Provisions (Rs. in Lakhs) | | |
|---|------------------------------------|------------------------------------|
| Particulars | As at 31 st March, 2022 | As at 31 st March, 2021 |
| Provision for Taxation (Net of Advance Tax) | 253.71 | 559.64 |
| Total | 253.71 | 559.64 |

Revenue

| 19. Revenue From Operations (Rs. in Lakhs) | | |
|--|--|--|
| Particulars | For the Year Ended 31 st March, 2021 | For the Year Ended 31 st March, 2020 |
| Sales of Products | 89,702.44 | 79,755.41 |
| Export Benefits (Net) | 1,717.84 | 2,093.00 |
| Total | 91,420.28 | 81,848.41 |

Revenue from operations

Sale of products

- Export Sales are accounted for as and when Sale Invoices are raised and goods are dispatched out of factory as per RBI reference rate on the date of invoice. The difference if any between negotiation / realization rate and exchange rate of invoice is accounted as foreign exchange difference on receipt of particulars from negotiating bank.
- The company's sale of products consists of export of processed shrimp and domestic sale of shrimp seed and naupli at hatcheries beside little scrap and shell waste sale arising out of shrimp processing.

Export benefits

- Company is entitled for Duty Draw Back @ Rs.23.60 per Kg Or 3 % on FOB (whichever is lower) of Exports done. Accordingly, income on account of Duty Draw Back is recognized for Sale Invoices raised up to March 31, 2022 at the applicable rate.
- Company is also entitled for Remission of Duties and Taxes on Exported Products scheme (RoDTEP) which is introduced from January, 2021. The incentive is in the form of grant of Duty Credit Scrip from D.G.F.T. The said Scripts are in turn, encashed by way of sale to importers at agreed rate. Accordingly, the entitlement of scrips which are saleable is recognised as income on accrual basis at percentage prevailing in the market as at end of the year.



| 20. Other Income | | (Rs. in Lakhs) |
|---|--|--|
| Particulars | For the year ended 31 st March, 2022 | For the year ended 31 st March, 2021 |
| Interest Income on | | |
| Fixed Deposits | 24.59 | 49.70 |
| Agriculture Income | 31.39 | 35.95 |
| Surplus from Foreign Currency Fluctuation | 1,223.49 | 667.19 |
| Total | 1,279.47 | 752.84 |

Expenses

| 21. Cost of Materials | | (Rs. in Lakhs) |
|---|--|--|
| Particulars | Year ended 31 st March, 2022 | Year ended 31 st March, 2020 |
| Raw Material Purchases | 64,487.88 | 48,582.61 |
| In house Shrimp Farming & Hatchery Expenses | 1,173.91 | 4,365.22 |
| Feed Purchases | - | 82.11 |
| Total | 65,661.79 | 53,025.94 |

| 22. Changes in Inventories | | (Rs. in Lakhs) |
|--|--|--|
| Particulars | Year ended 31 st March, 2022 | Year ended 31 st March, 2021 |
| Opening Stocks | | |
| Farming and Hatchery Work-in-Progress | 155.82 | 1,488.57 |
| Finished Goods | 15,535.64 | 16,350.28 |
| Stores & Spares - Packing Material & Chemicals | 428.62 | 566.14 |
| Total | 16,120.08 | 18,404.99 |
| Closing Stocks | | |
| Farming and Hatchery Work-in-Progress | 123.44 | 155.82 |
| Finished Goods | 19,607.99 | 15,535.64 |
| Stores & Spares - Packing Material & Chemicals | 551.84 | 428.62 |
| Total | 20,283.27 | 16,120.08 |
| Increase / Decrease | (4,163.19) | 2,284.91 |

Inventories include the stocks finished goods produced at both the production locations i.e., Kakinada and G. Ragampeta and work in progress includes the cost incurred on un-harvested shrimp seed/ Naupli at Hatcheries while stores and spares included consumables and packing material.

| 23. Employee Benefit Expenses | | (Rs. in Lakhs) |
|--|---|---|
| Particulars | Year Ended 31 st March, 2022 | Year Ended 31 st March, 2021 |
| Salaries, Wages & Other Benefits | 2,569.77 | 2,348.03 |
| Contribution to Funds | 295.31 | 103.32 |
| Director's Remuneration | 461.00 | 345.75 |
| Staff Welfare Expenses | 158.65 | 269.39 |
| Employee and Employer's Insurance Scheme | 820.10 | 914.63 |
| Total | 4,304.83 | 3,981.12 |

| 24. Finance Cost | | (Rs. in Lakhs) |
|-------------------------|---|---|
| Particulars | Year Ended 31 st March, 2022 | Year Ended 31 st March, 2021 |
| Interest Expense | | |
| -Term Loans | - | 12.67 |
| -Working Capital | 1,295.31 | 1,176.47 |
| -Others | 324.29 | 268.20 |
| Bank Charges | 118.16 | 134.17 |
| Total | 1,737.76 | 1,591.51 |

Interest on Others includes Interest on Vehicle Loans of Rs. 20.10 Lakhs and Other Interest expenditure.

| 25. Depreciation and Amortisation Expense & Others | | (Rs. in Lakhs) |
|--|---|---|
| Particulars | Year Ended 31 st March, 2022 | Year Ended 31 st March, 2021 |
| Depreciation on Property, Plant & Equipment | 1,851.01 | 1,975.67 |
| Amortisation of Leasehold Land Development | - | 218.87 |
| Total | 1,851.01 | 2,194.55 |



| 26. Other Expenses | | (Rs. in Lakhs) |
|--|---|---|
| Particulars | Year Ended 31 st March, 2022 | Year Ended 31 st March, 2021 |
| Manufacturing Expenses | | |
| Inward Transport Charges | 1,373.46 | 956.65 |
| Purchase Expenses | 115.38 | 87.87 |
| Electricity Charges | 1,513.36 | 1,426.23 |
| Repairs & Other Maintenance | 111.73 | 60.42 |
| Ice Purchase | 107.32 | 114.37 |
| Wages | 1,011.67 | 1,017.99 |
| Plant Maintenance | 1,517.51 | 1,526.99 |
| Machinery Maintenance | 321.86 | 202.55 |
| Freezing & Storage Expenses | 32.62 | 145.61 |
| Uniform Expenses | 20.64 | 33.05 |
| Water Charges | 19.58 | 18.95 |
| Rents | 53.12 | 32.80 |
| Sample Testing Expenses | 50.58 | 39.60 |
| Security Expenses | 120.73 | 93.14 |
| Processing Charges | 344.14 | 443.51 |
| Lab Maintenance | 56.60 | 38.36 |
| Administrative & Selling Expenses | | |
| Rates & Taxes | 525.09 | 198.07 |
| Export Expenses | 6,972.96 | 3,712.60 |
| Other Selling Expenses | 24.67 | 27.29 |
| Survey Charges | 15.13 | 12.92 |
| Loading & Unloading Charges | 2.37 | 9.72 |
| Business promotion expenses | 27.37 | 52.82 |
| Vehicle Maintenance | 87.68 | 81.12 |
| Printing & Stationery | 15.85 | 18.42 |
| Computer Maintenance | 4.29 | 2.56 |
| Travelling & Conveyance | 51.17 | 22.96 |
| Consultancy & Certification Fee | 150.56 | 157.34 |
| Statutory & Tax Audit Fee | 10.00 | 10.00 |
| News Papers & Periodicals | 0.28 | 0.09 |
| Telephones | 17.98 | 18.75 |
| Bad debts | 134.20 | 115.54 |
| Insurance Premium | 201.20 | 204.00 |
| Stores and Spares | 2,518.61 | 2,385.40 |
| CSR Expenses | 156.69 | 191.32 |
| Total | 17,686.40 | 13,459.01 |

| 27. Earnings Per Share | | (Rs. in Lakhs) |
|---|---|---|
| Particulars | Year Ended 31 st March, 2022 | Year Ended 31 st March, 2021 |
| Profit available for Equity Shareholders | 4,108.07 | 4,428.52 |
| Weighted average number of Equity shares out-standing for Basic EPS | 312.50 | 312.50 |
| Weighted Average number of potential equity shares, Warrants and ESOP's outstanding | NIL | NIL |
| Weighted average number of Equity shares out-standing for Diluted EPS | 312.50 | 312.50 |
| Earnings per Share* | | |
| Basic (Rs.) | 13.15 | 14.17 |
| Diluted(Rs.) | 13.15 | 14.17 |

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

28. Employee benefits

i. Post-employment benefit obligation gratuity

The company provides gratuity, as per defined benefit retirement plan ("the Gratuity plan") covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the company. Contributions are invested in a scheme with the Life Insurance Corporation of India as permitted by Indian law.

The plan provides for periodic payouts after retirement or for a lumpsum payment as set out in rules of each fund and includes death and disability benefits.

Liabilities with regard to these defined benefit plans are determined by actuarial valuation, performed by an external actuary, at each balance sheet date using the projected unit credit method. These defined benefit plan expose the company to actuarial risks, such as longevity risk, currency risk, interest rate risk and market risk.

The following tables set out the funded status and the amounts recognized in the company's financial statements as at March 31, 2022 and March 31, 2021:

| Changes in Present Value of Obligation | | (Rs. in Lakhs) |
|---|---|---|
| Particulars | Year Ended 31 st March, 2022 | Year Ended 31 st March, 2021 |
| Present Value of Obligation as at the beginning | 79.78 | 101.72 |
| Acquisition Adjustment | - | - |
| Interest Expense or Cost | 5.41 | 6.85 |
| Past Service Cost | - | - |
| Current Service Cost | 51.43 | 42.85 |
| Benefits Paid | - | - |
| Actuarial (gain)/ loss on obligations | -12.29 | -71.64 |
| Present Value of Obligation as at the end | 124.32 | 79.78 |



| Changes in Fair Value of Plan Assets | | (Rs in Lakhs) |
|--|---|---|
| Particulars | Year Ended 31 st March, 2022 | Year Ended 31 st March, 2021 |
| Fair Value of Plan Assets at the beginning | 106.64 | 74.36 |
| Acquisition Adjustments | -1.95 | -1.93 |
| Expected Return on Plan Assets | 7.22 | 5.00 |
| Contributions | 4.96 | 27.32 |
| Benefits Paid | - | - |
| Actuarial Gain /(loss) on Plan Assets | 0.83 | 1.87 |
| Fair Value of Plan Assets as at the end | 117.71 | 106.64 |

| Actuarial Gain/ Loss recognized | | (Rs. in Lakhs) |
|--|---|---|
| Particulars | Year Ended 31 st March, 2022 | Year Ended 31 st March, 2021 |
| Actuarial gain/(loss) for the period - Obligations | 12.29 | 71.64 |
| Actuarial gain/(loss) for the period - Plan assets | 0.83 | 1.88 |
| Total (gain)/ loss for the period | 13.12 | 73.52 |
| Actuarial (gain)/loss recognized | 13.12 | 73.52 |
| Unrecognized actuarial (gains)/ loss at the end | - | - |

| Expenses recognised in the P&L account | | (Rs. in Lakhs) |
|---|---|---|
| Particulars | Year Ended 31 st March, 2022 | Year Ended 31 st March, 2021 |
| Current Service Cost | 51.43 | 42.85 |
| Past Service Cost | - | - |
| Interest cost | 5.41 | 6.85 |
| Expected Return on Plan Assets | -7.23 | -5 |
| Net actuarial (gain)/ loss recognized in the period | -13.12 | -73.52 |
| Total Expenditure recognised in Income Statement | 64.07 | 44.7 |

Significant Estimates: Actuarial Assumptions

The significant actuarial assumptions for defined benefit plans are as follows

| Particulars | Year Ended 31 st March, 2022 | Year Ended 31 st March, 2021 |
|---|---|---|
| Discount Rate (per annum) | 7.15% | 6.78% |
| Salary Escalation Rate (per annum) | 5.00% | 5.00% |
| Employee Attrition Rate | | |
| Age at Valuation date: | | |
| 18-30 | 10.00% | 10.00% |
| 31-40 | 5.00% | 5.00% |
| 40+ | 1.00% | 1.00% |
| Assumptions regarding mortality rate are set based on actuarial advice in accordance with published statistics. | IALM (2006-08) | IALM (2006-08) |

| Payments to Auditor | | (Rs. in Lakhs) |
|-----------------------------|---|---|
| Particulars | Year Ended 31 st March, 2022 | Year Ended 31 st March, 2021 |
| Statutory Audit Fees | 8.00 | 8.00 |
| Tax Audit & Related Matters | 2.00 | 2.00 |
| Other Matters | - | - |

| 29. Corporate Social Responsibility Expenditure | | (Rs. in Lakhs) |
|---|---|---|
| Particulars | Year Ended 31 st March, 2022 | Year Ended 31 st March, 2021 |
| Revenue Expenditure spent on CSR Activities | 167.49 | 171.25 |
| Total | 167.49 | 171.25 |

30. Contingent Liabilities

Bank Guarantees:

The Company has provided Bank guarantees to the tune of Rs. 32.40 Lakh

Stand-by-Letter of Credit: Rs. 811.14 Lakh



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

| CIF Value of Imports | | (Rs. in Lakhs) |
|------------------------------------|---|---|
| Particulars | Year Ended 31 st March, 2022 | Year Ended 31 st March, 2021 |
| Raw Materials | 0.00 | 0.00 |
| Capital Goods & Maintenance Spares | 0.00 | 0.00 |
| Total | 0.00 | 0.00 |

| Earnings in Foreign Currency (on accrual basis) | | (Rs. in Lakhs) |
|---|---|---|
| Particulars | Year Ended 31 st March, 2022 | Year Ended 31 st March, 2021 |
| FOB Value of Exports | 79,429.60 | 73,372.18 |

| Expenditure in Foreign Currency | | (USD in lakhs) |
|---|---|---|
| Particulars | Year Ended 31 st March, 2022 | Year Ended 31 st March, 2021 |
| Administration and Selling Expenses | 36.17 | 50.28 |
| Stores and Spares Consumed | 4.75 | 7.20 |
| Financial Expenses | NIL | NIL |
| Exhibition & Others | NIL | NIL |
| Dividend to Non Resident Share Holders (No.of Shares) | NIL | NIL |

32. Related party disclosures

Related parties and nature of relationship :

NIL

NIL

Key management personnel :

Mr.K.Satyanarayana Murthy
Mr.K.SubrahmanyaChowdary
Mrs..K.Neelima Devi

Chairman & Managing Director
Executive Director
Whole time Director

| Related Party Transactions | | | | (Rs. in Lakhs) |
|----------------------------|--------------------|-----------------------|---|---|
| Name of the Party | Relationship | Nature of Transaction | Year Ended 31 st March, 2022 | Year Ended 31 st March, 2021 |
| Mr. K.S. Murthy | KMP | Total Remuneration | 168.00 | 126.00 |
| | | Remuneration payable | 8.99 | - |
| Mr. K.S. Chowdary | KMP | Total Remuneration | 168.00 | 126.00 |
| | | Remuneration payable | 8.19 | - |
| Mrs. K Neelima Devi | KMP | Total Remuneration | 125.00 | 93.75 |
| | | Remuneration payable | 3.96 | - |
| Mr. Ch. Vijaya Kumar | CFO | Remuneration | 11.05 | 8.00 |
| Mrs. S. Sarojini | Company Secretaary | Remuneration | 4.20 | 4.20 |

33. Additional Regulatory Information

| Ratios | | | | |
|--|--|--|--------------|---------------|
| Ratio | Numerator | Denominator | Current year | Previous year |
| Current Ratio (in times) | Total Current Assets | Total Current Liabilities | 2.4 | 2.0 |
| Debt Equity Ratio (in times) | Debt consists of Borrowings | Total Equity | 0.35 | 0.38 |
| Debt Service Coverage Ratio (in times) | Earnings for Debt Service = Net Profit After Taxes + Non-Cash Operating Expenses + Interest + Other Non-Cash Adjustments | Debt Service = Interest and Lease Payments + Principal Repayments | 3.4 | 3.8 |
| Return on Equity Ratio (in %) | Profit for The Year Less Preference Dividend (If any) | Average Total Equity | 9% | 11% |
| Inventory Turnover Ratio (in times) | Revenue from Operations | Average of Inventory | 5.0 | 4.7 |
| Trade Receivable Turnover Ratio (in times) | Revenue from Operations | Average Trade Receivables | 6.3 | 7.0 |
| Trade Payables Turnover Ratio (in times) | Cost of raw materials including other expenses | Average Trade Payables | 26.8 | 14.7 |
| Net Capital Turnover Ratio (in times) | Revenue from Operations | Average Working Capitals (I.E., Total Current Assets Less Total Current Liabilities) | 4.2 | 5.0 |
| Net Profit Ratio (in %) | Profit for The Year | Revenue from Operations | 4% | 5% |
| Return on Capital Employed (in %) | Profit Before Tax and Finance Costs | Capital Employed = Total Assets – Current Liabilities | 14% | 16% |
| Return on Investment (in %) | Income Generated from Invested Funds | Average Investment Funds in Treasury Investments | 9% | 11% |

With regard to Trade payables turnover ratio there is a change in the ratio by about more than 25% which is on favorable side. This is due to utilization of bank Working Capital funds more effectively and minimization of Trade creditors.

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



Notice of Annual General Meeting

Notice is hereby given that the 10th Annual General Meeting of the members of APEX FROZEN FOODS LIMITED (CIN: L15490AP-2012PLC080067) will be held on Saturday, the 23rd day of July, 2022 through Video Conferencing (VC)/Other Audio-Visual Means (OAVM) at 11.00 A.M at the registered office of the company situated at #3-160, Panasapadu, Kakinada, East Godavari district, Andhra Pradesh- 533005, to transact the following business:

Ordinary Business

1. To Consider and Adopt the Audited Financial Statements of the Company for the Financial Year 2021-22, together with the Report of the Board of Directors and Auditors thereon.
2. To declare final dividend of Rs.2.50/- (25%) per equity Share of Rs. 10/- each to the shareholders for the financial year 2021-22.
3. To Re-appoint a director in place of Mrs. Karuturi Neelima Devi (DIN 06765515), who retires by rotation and being eligible, offers herself for re-appointment.

4 Appointment of Statutory Auditors of the Company

To consider and if thought fit to pass the following resolution with or without modification as an ordinary resolution:

"RESOLVED THAT pursuant to Sections 139,141,142 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and Companies (Audit and Auditors) Rules, 2014 made thereunder and other applicable rules, if any, under the Act and pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), M/S Padmanabhan Ramani & Ramanujam, Chartered Accountants, Chennai, (Firm Reg No. 002510S) be and are hereby appointed as the Statutory Auditors of the Company, for a period of 5(five) years commencing from the conclusion of this Annual General Meeting till the conclusion of 15th Annual General Meeting to be held for the FY 2026-27 at a remuneration of Rs.10,00,000/- per annum plus out of pocket expenses and taxes at the applicable rates.

SPECIAL BUSINESS:

5. To increase the overall managerial remuneration

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

"RESOLVED THAT in accordance with the provisions of Section 197 of the Companies Act, 2013, read with Schedule V and other applicable provisions, if any, and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, if any and based on the recommendation of the Nomination and Remuneration Committee and subject to members approval, Consent of the shareholders, be and is hereby accorded to increase the overall maximum managerial remuneration payable from the Financial Year 2022-23, from 11% (eleven percent) to 16% (sixteen percent) of the net profits of the Company computed in the manner laid down in Section 198 of the Companies Act, 2013.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to take such steps and to do all other acts, deeds and things as may be necessary or desirable to give effect to this resolution."

6. To appoint Mr. K Satyanarayana Murthy as the Executive Director of the company & to approve remuneration payable to him.

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

"RESOLVED THAT pursuant to Section 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 (Act), read with Schedule V (as amended from time to time) to the said Act, and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, consent of the members be and is hereby accorded for appointment of Mr. K. Satyanarayana Murthy (DIN 05107525) as Executive Director (termed as executive chairman), liable to retire by rotation, as

approved by the Board of Directors on recommendation made by Nomination and Remuneration Committee, for a period of 3 years with effect from 01st December, 2022.

RESOLVED FURTHER THAT consent of the Shareholders be and is hereby accorded to the Board for revising the terms of remuneration payable to Mr. K. Satyanarayana Murthy (DIN 05107525), as may be fixed by the Board from time to time on recommendation of the Nomination and Remuneration Committee, notwithstanding that, such remuneration shall exceed 5% (five percent) being the limit specified under Section 197 and Schedule V of the Act in case of inadequacy or absence of profits, calculated in accordance with the applicable provisions of the Companies Act, 2013

RESOLVED FURTHER THAT the remuneration payable to Mr. K. Satyanarayana Murthy, Executive Director with effect from 01st December, 2022 shall be as under:

I. Basic Salary:

| PERIOD | SALARY (FIXED COMPONENT) IN INR | |
|--------------------------|---------------------------------|-------------|
| | Per Month | Per Annum |
| 01.12.2022 to 30.11.2023 | 15,00,000 | 1,80,00,000 |
| 01.12.2023 to 30.11.2024 | 16,50,000 | 1,98,00,000 |
| 01.12.2024 to 30.11.2025 | 18,00,000 | 2,16,00,000 |

The above amount (along with the allowances and perquisites mentioned below) may be revised by the Board of Directors based on the recommendation of the Remuneration Committee of the Company, considering industry trends.

II. Allowances and Perquisites

In addition to the above salary, he shall be entitled to the following allowances and perquisites. The allowances and perquisites shall be valued as per the actual expenditure incurred by the Company.

- Reimbursement of Medical Expenses actually incurred for self and his family.
- Reimbursement of Club expenditure for a maximum of one Club.

III. The following perquisites shall not be included in the computation of the remuneration:

- Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- Gratuity payable at a rate not exceeding half a month's salary for each completed year of service subject to a maximum of Rs. 20 Lakhs.
- Leave encashment at the end of tenure.

In addition to the above he shall be provided free of cost, with the following, for official purpose.

- Use of Company's car and Mobile Phone facility.

IV. Minimum Remuneration

In the event of loss or inadequacy of profits, in any financial year during the currency of tenure of service, the payment of salary, perquisites and other allowances shall be governed by Schedule V to the Act, including any statutory modifications or re-enactment thereof, as may, for the time being, be in force.

"FURTHER RESOLVED THAT the Board of Directors of the Company or any committee thereof be and is hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable; to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution".



7. To appoint Mr. K. Subrahmanya Chowdary as the Managing Director & approve remuneration payable to him:

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and Article of Association of the Company as amended from time to time and all other applicable provisions of the Companies Act 2013 and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (Including any statutory modification or re-enactment(s) thereof for the time being in force), consent of the members be and is hereby accorded for appointment of K. Subrahmanya Chowdary (DIN 03619259) as a Managing Director of the Company, liable to retire by rotation, as approved by the Board of Directors on recommendation made by Nomination and Remuneration Committee, for a period of 3 years with effect from 01st December, 2022.

RESOLVED FURTHER THAT consent of the Shareholders be and is here by accorded to the Board for revising the terms of remuneration payable to Mr.K. Subrahmanya Chowdary, from time to time on recommendation of the Nomination and Remuneration Committee, notwithstanding that, such remuneration shall exceed 5% (five percent) being the limit specified under Section 197 and Schedule V of the Act in case of inadequacy or absence of profits, calculated in accordance with the applicable provisions of the Companies Act, 2013

RESOLVED FURTHER THAT the remuneration payable to Mr. K. Subrahmanya Chowdary, Managing Director with effect from 01st December, 2022 shall be as under:

I. Basic Salary

| PERIOD | SALARY (FIXED COMPONENT) | | VARIABLE |
|--------------------------|--------------------------|-------------|--|
| | Per Month | Per Annum | |
| 01.12.2022 to 30.11.2023 | 14,00,000 | 1,68,00,000 | Commission of 2% subject to maximum of 5% of total profits |
| 01.12.2023 to 30.11.2024 | 15,40,000 | 1,84,80,000 | |
| 01.12.2024 to 30.11.2025 | 16,90,000 | 2,02,80,000 | |

The above amount (along with the allowances and perquisites mentioned below) may be revised by the Board of Directors based on the recommendation of the Remuneration Committee of the Company, considering industry trends.

II. Allowances and Perquisites

In addition to the above salary, he shall be entitled to the following allowances and perquisites. The allowances and perquisites shall be valued as per the actual expenditure incurred by the Company.

- Reimbursement of Medical Expenses actually incurred for self and his family.
- Reimbursement of Club expenditure for a maximum of one Club.

The following perquisites shall not be included in the computation of the remuneration:

- Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- Gratuity payable at a rate not exceeding half a month's salary for each completed year of service subject to a maximum of Rs. 20 Lakhs.
- Leave encashment at the end of tenure.

In addition to the above he shall be provided free of cost, with the following, for official purpose.

- Use of Company's car and and Mobile Phone facility

III. Commission:

In addition to salary and perquisites as above, Mr. K. Subrahmanya Chowdary shall be entitled to commission at the rate of 2% of the net profits of the Company in the manner laid down under Section 198 of the Companies Act, 2013 and other applicable provisions of the said Act.

IV. Minimum Remuneration

In the event of loss or inadequacy of profits, in any financial year during the currency of tenure of service, the payment of salary, commission, perquisites and other allowances shall be governed by Schedule V to the Act, including any statutory modifications or re-enactment thereof, as may, for the time being, be in force.

"FURTHER RESOLVED THAT the Board of Directors of the Company or any committee thereof be and is hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable; to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution."

8. To re-appoint Mrs. K Neelima Devi (DIN 06765515) as Whole time Director & approve remuneration payable to her

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

"RESOLVED THAT pursuant to Section 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 (Act), read with Schedule V (as amended from time to time) to the said Act, and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, consent of the members be and is hereby accorded for appointment of Mrs. Karuturi Neelima Devi (DIN 06765515) as whole Time Director of the Company, liable to retire by rotation, as approved by the Board of Directors on recommendation made by Nomination and Remuneration Committee, for a period of 3 years with effect from 01st December, 2022.

RESOLVED FURTHER THAT consent of the Shareholders be and is hereby accorded to the Board for revising the terms of remuneration payable to Mrs. Karuturi Neelima Devi, as may be fixed by the Board from time to time on recommendation of the Nomination and Remuneration Committee, notwithstanding that, such remuneration shall exceed 5% (five percent) being the limit specified under Section 197 and Schedule V of the Act in case of inadequacy or absence of profits, calculated in accordance with the applicable provisions of the Companies Act, 2013

RESOLVED FURTHER THAT the remuneration payable to Mrs. Karuturi Neelima Devi, Executive Director with effect from 01st December, 2022 shall be as under:

I. Basic Salary

| PERIOD | SALARY (FIXED COMPONENT) | | VARIABLE |
|-------------------------------|--------------------------|-------------|--|
| | Per Month | Per Annum | |
| From 01.12.2022 to 30.11.2023 | 12,50,000 | 1,50,00,000 | Commission of 2% subject to maximum of 5% of total profits |
| 01.12.2023 to 30.11.2024 | 13,75,000 | 1,65,00,000 | |
| 01.12.2024 to 30.11.2025 | 15,20,000 | 1,83,00,000 | |

The above amount (along with the allowances and perquisites mentioned below) may be revised by the Board of Directors based on the recommendation of the Remuneration Committee of the Company, considering industry trends.

II. Allowances and Perquisites

- In addition to the above salary, she shall be entitled to the following allowances and perquisites. The allowances and perquisites shall be valued as per the actual expenditure incurred by the Company.
- Reimbursement of Medical Expenses actually incurred for self and her family.
- Reimbursement of Club expenditure for a maximum of one Club.



The following perquisites shall not be included in the computation of the remuneration:

- Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- Gratuity payable at a rate not exceeding half a month's salary for each completed year of service subject to a maximum of Rs. 20 Lakhs.
- Leave encashment at the end of tenure.
- In addition to the above she shall be provided free of cost, with the following, for official purpose.
- Use of Company's car and Mobile Phone facility.

III. Commission:

In addition to salary and perquisites as above, Mrs. K. Neelima Devi shall be entitled to commission at the rate of 2% of the net profits of the Company in the manner laid down under Section 198 of the Companies Act, 2013 and other applicable provisions of the said Act.

IV. Minimum Remuneration

In the event of loss or inadequacy of profits, in any financial year during the tenure of service, the payment of salary, commission, perquisites and other allowances shall be governed by Schedule V to the Act, including any statutory modifications or re-enactment thereof, as may, for the time being, be in force.

"FURTHER RESOLVED THAT the Board of Directors of the Company or any committee thereof be and is hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable; to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution.

By order of Board of Directors
For **Apex Frozen Foods Limited**

Sd/-

K Satyanarayana Murthy
Chairman & Managing Director
DIN 05107525

Place: Panasapadu, Kakinada
Date: 23.05.2022



NOTES:

1. In view of continuing social distancing norms due to Covid-19, the Ministry of Corporate Affairs (MCA), vide its General Circular Nos. 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020, 20/2020 dated 5th May, 2020, the latest being 2/2022 dated 5th May, 2022 (collectively referred as "MCA circulars") and Securities Exchange Board of India (SEBI) vide its Circular No. SEBI/HO/CFD/CMD2/CIRP/P/2022/62 dated 13th May, 2022 (referred as "SEBI circular") and other applicable circulars issued in this regard, have allowed the companies to conduct AGM through VC/OAVM till 31st December, 2022 without physical presence of Members at a common venue. In accordance with the applicable provisions of the Act and the said Circulars of MCA and SEBI, the 10th AGM of the Company shall be conducted through VC/OAVM. Hence, Members can attend and participate in the ensuing 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 Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. As the AGM shall be conducted through VC/OAVM, the facility for appointment of Proxy by a Member is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. Institutional/Corporate members are encouraged to attend and vote at the meeting through VC/OVAM. We also request them to send, a duly certified copy of the Board Resolution authorizing their representative to attend the AGM through VC/OAVM and vote through remote e-voting on its behalf at cs@apexfrozenfoods.com pursuant to Section 113 of the Companies Act, 2013.
7. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business in the Notice is annexed hereto and forms part of this Notice.
8. In case you are holding the Company's shares in dematerialized form, please contact your depository participant and give suitable instructions to update your bank details in your demat account and to notify any changes with respect to their addresses, email id, ECS mandate.
9. In case you are holding Company's shares in physical form, please inform Company's RTA viz. Bigshare Services Pvt.Ltd. having their address at "306, Right Wing, 3rd Floor, Amrutha Ville, Opp. Yashoda Hospital, Somajiguda, Rajbhavan Road, Hyderabad – 500082, Telangana " by enclosing a photocopy of blank cancelled cheque of your bank account.
10. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities.
11. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. M/s. Bigshare Services Pvt.Ltd, 306, Right Wing, 3rd Floor, Amrutha Ville, Opp. Yashoda Hospital, Somajiguda, Rajbhavan Road, Hyderabad – 500082, Telangana are the Registrar & Share Transfer Agents (RTA) of the Company. All communications in respect of share transfers, dematerialization and change in the address of the members may be communicated to the RTA.
12. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to the RTA/Company.
13. Members who have not registered their email ID with the depository participants, are requested

to register their email ID with their depository participants in respect of shares held in electronic form and in respect of shares held in physical form, are requested to submit their request with their valid email ID to our RTA at bsshyd1@bigshareonline.com or cs@apexfrozenfoods.com for receiving all communications including annual report, notices, letters etc., in electronic mode from the Company.

14. Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest to avail the nomination facility. Members holding shares in dematerialized form may contact their respective depository participant(s) for recording nomination in respect of their shares.
15. In case of Joint Holders attending the AGM, only such Joint Holder whose name appears first in the order of names will be entitled to vote.
16. Only bonafide members of the Company, whose name appear first on the Register of Members, will be permitted to attend the meeting through VC/OAVM. The Company reserves its right to take all necessary steps as may be deemed necessary to restrict non-members from attending the meeting.
17. Pursuant to the directions/notifications of Securities and Exchange Board of India (SEBI) and Depositories, the demat account holders can operate their accounts if they had already provided Income Tax Permanent Account Number either at the time of opening of the account or at any time subsequently. In case they have not furnished the Income Tax Permanent Account Number to the Depository Participants, such demat account holders are requested to contact their DPs with a photocopy of the PAN Card (with original PAN Card for verification), so that the frozen demat accounts would be available for operation and further consequences of non-compliance with the aforesaid directives would be obviated. SEBI, vide Circular Ref.No.MRD/Dop/Cir-05/2009 dated May 20, 2009 made it mandatory to have PAN particulars for registration of physical share transfer requests. Based on the directive contained in the said circulars, all share transfer requests are therefore to be accompanied with PAN details. Members holding shares in physical form can submit their PAN details to the Company / RTA.
18. Members seeking any information or clarification on the accounts are requested to send their queries to the Company, in writing, at least 10 days before the date of the meeting. Replies will be provided in respect of such written queries at the meeting.
19. In compliance with the aforesaid MCA Circulars and SEBI Circular, Notice of the AGM along with Annual Report 2021-22 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depository Participants.
20. Members may note that the Notice and the 10th Annual Report 2021-22 will also be available at the Company's website: www.apexfrozenfoods.in, on the website of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of CDSL www.evotingindia.com.
21. All documents referred to in the accompanying Notice and the Statement pursuant to Section 102(1) of the Companies Act, 2013 shall be open for inspection in electronic mode by the Members by writing an e-mail to the Company Secretary at cs@apexfrozenfoods.com
22. Additional information pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Secretarial Standards on general meetings, information in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting is furnished in the annexure and forms part of the notice. The Directors have furnished the requisite consent / declaration for their appointment / re-appointment.
23. Members desiring inspection of statutory registers during the AGM may send their request in writing in advance to the Company at cs@apexfrozenfoods.com
24. Members who wish to inspect the relevant documents referred to in the Notice can send an e-mail to cs@apexfrozenfoods.com upto the date of the AGM.
25. The notice of Annual General Meeting will be sent to the members, whose name appears in the Register of members/ depositories as at closing hours of business on **Friday, 24th June, 2022**
26. Register of Members and Share Transfer Books of the Company shall remain closed from **Monday, 18th July, 2022 to Saturday, 23rd July, 2022** (both days inclusive) for AGM and determining the entitlement of the shareholders for the Dividend for the year 2021-2022, if declared, at the AGM.
27. If the Dividend as recommended by the Board of Directors is approved at the AGM, the payment of such dividend shall be made within the timeline as prescribed under the Act, subject to deduction of tax at source, as under:
28. To all those beneficial owners holding shares in electronic form, as per the beneficial ownership data as may be made available to the Company by National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) as of the close of the business hours on **16th July, 2022 and**
29. o To all those members holding shares in physical form on or before at the close of business hours on **16th July, 2022**
30. Pursuant to Finance Act 2020, dividend income



will be taxable in the hands of Shareholders with effect from 1st April 2020 and the Company is required to deduct tax at source from dividend paid to Shareholders at the prescribed rates. For the prescribed rates for various categories, the Shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The Shareholders are requested to update their PAN with Bigshare (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).

31. A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to bsshyd1@bigshareonline.com latest by 10th July, 2022.
32. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%. Non-resident Shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to bsshyd1@bigshareonline.com latest by 10th July, 2022.
33. Resident Shareholders are requested to provide declaration that they have filed their Income Tax

Return for past 2 years, if aggregate of their Tax Deducted at Source (TDS) and Tax Collected at Source (TCS) is greater than Rs. 5000/- by email to bsshyd1@bigshareonline.com latest by 10th July, 2022. Shareholders are requested to note that in case such declaration is not received, tax will be deducted at applicable higher rate as per Income Tax Act, 1961.

34. The Members whose names appear in the Register of Members/ List of Beneficial Owners as on 16th July, 2022 (cut-off date), are entitled to vote on the resolutions set forth in this Notice.
35. The e-voting period will commence on Wednesday, 20th July, 2022 (09:00 hrs) and will end on Friday, 22nd July, 2022 (17:00 hrs). During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Members will not be able to cast their votes electronically beyond the date & time mentioned above.

The Company has appointed Smt Durga Bhavani Agarwal and/or Mr.M.Arun, partners of M/s. A.S.Ram Kumar & Associates, Company Secretaries, to act as Scrutinizer to conduct and scrutinize the electronic voting process of this Annual General Meeting in a fair and transparent manner. The members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereunder.



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

(i) The voting period begins on Wednesday, 20th July, 2022 (09:00 hrs) and will end on Friday, 22nd July, 2022 (17:00 hrs). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday, 16th July, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in

India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process. (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

| Type of shareholders | Login Method |
|--|--|
| Individual Shareholders holding securities in Demat mode with CDSL | <ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers. |
| Individual Shareholders holding securities in demat mode with NSDL | <ol style="list-style-type: none"> If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful |
| Individual Sharehold- | |



ers (holding securities in demat mode) login through their Depository Participants

authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

2. If the user is 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>

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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting

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. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

| Login type | Helpdesk details |
|--|--|
| Individual Shareholders holding securities in Demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43. |
| Individual Shareholders holding securities in Demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30 |

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

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

c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

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

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

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

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

- The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
- The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned



above for e-voting.

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

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

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company email id: cs@apexfrozenfoods.com /RTA email id :bsshyd1@bigshareonline.com
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

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

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

General Instructions:

- i. The voting rights of Members shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on 16th July, 2022.
- ii. The Scrutinizer, after scrutinising the votes cast at the meeting through e-voting and remote evoting at AGM, will not later than 48 hours from the conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.apexfrozenfoods.in and on the website of CDSL www.cdslindia.com. The results shall simultaneously be communicated to the Stock Exchanges.
- iii. The voting result will be announced by the Chairman or any other person authorized by him within two days of the AGM.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**ITEM NO. 4:**

In terms of Section 139 of the Companies Act, 2013 ("the Act"), and the Companies (Audit and Auditors) Rules, 2014, made there under, the term of the present Statutory Auditors of the Company, M/s. Boda Ramam & Co., Chartered Accountants, Kakinada, (Firm Reg No. 005383S) will be expiring at the ensuing Annual General Meeting.

The Board of Directors at its meeting held on 23.05.2022, after considering the recommendations of the Audit Committee, had recommended the appointment of M/s. Padmanabhan Ramani & Ramanujam, Chartered Accountants, Chennai, (Firm Reg No. 002510S), as Statutory Auditors of the Company for a term of five years at a remuneration of Rs 10,00,000/- per annum plus out of pocket expenses and taxes at the applicable rates from the conclusion of the tenth Annual General Meeting till the conclusion of 15th Annual General Meeting of the Company to be held for FY 2026-27.

M/s. Padmanabhan Ramani & Ramanujan., a Chartered Accountancy Firm registered with Institute of Chartered Accountants of India with Firm Registration No. 002510S The Firm provides range of services which include Audit & Assurance, Taxation, Accounting and Risk Advisory.

M/s. Padmanabhan Ramani & Ramanujan, Chartered Accountants, have consented to the aforesaid appointment and confirmed that their appointment, if made, will be within the limits specified under Section 141(3)(g) of the Companies Act, 2013. They have further confirmed that they are not disqualified to be appointed as the Statutory Auditors in terms of the Companies Act, 2013 and the rules made thereunder.

Pursuant to Section 139 of the Companies Act, 2013, Approval of the members is required for appointment of the Statutory Auditors and fixing their remuneration by means of an ordinary resolution. Accordingly, approval of the members is sought for appointment of M/s. Padmanabhan Ramani & Ramanujan, Chartered Accountants as the Statutory Auditors of the Company and to authorise the Board of Directors, on the recommendation of the Audit Committee, to determine the remuneration payable to them.

None of the Directors, Key Managerial Personnel of the Company and their respective relatives is concerned or interested in the Resolution.

ITEM NO. 5:

Presently the Company has been paying Managerial

Remuneration within the limits of 10% on profits to Whole-Time Directors in pursuance of the provisions of the Companies Act, 2013.

Company has made significant growth in terms of business as well as profits with the consistent commitment and hard work of the Whole-Time Directors in the best interest of the Company, investors and other stakeholders. However, the terms of compensation paid to them remain at the same level.

To structure the remuneration of Whole-Time Directors providing for fixed component of the remuneration, commission and Pursuant to the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company in its meeting held on 23.05.2022, it's considered expedient to increase in overall limit of managerial remuneration payable by the Company in respect of any financial year to 16% from existing 11% of the net profits of the Company computed in the manner laid down in Section 198 of the Companies Act, 2013 w.e.f 01.12.2022.

However, The Companies (Amendment) Act, 2017 has done away with the requirement of seeking approval of Central Government for both increasing the overall limit of remuneration in excess of 11%, and the limit for payment of remuneration to any one Whole-Time Director / Managing Director in excess of 5% of net profits.

In consideration of the above amendment and section 197 of the Companies Act, 2013, total managerial remuneration payable by the Company to its directors, including managing director and whole-time director and its manager in respect of any financial year may exceed 11% (eleven per cent) of the net profits of the Company calculated as per the Section 198 of the Companies Act, 2013, provided prior approval of shareholders by way of special resolution for the same is required.

Based on the recommendations of Nomination and Remuneration Committee and Audit Committee at their Meetings held on 23.05.2022, the Board of Directors at their meeting held on 23.05.2022, considered and approved the proposal, subject to the approval of shareholders, to increase the overall maximum managerial remuneration payable from 11% to 16% of the net profits of the Company, consisting of 15% to Whole-Time Directors and 1% to Non-Executive Directors, in accordance with the provisions of the Companies Act, 2013.

All the directors are concerned or interested in the Resolution.



The Board recommends the resolution set out at Item No. 5 of this Notice to the Members for their consideration and approval by way of Special Resolution.

ITEM NO. 6:

Mr. K Satyanarayana Murthy has appointed as first director of the company on 30.03.2012, since the inception of the company. Subsequently appointed as Managing Director 01.12.2019 for a period of 3 years and his tenure will come to end by 30.11.2022.

Based upon a recommendation of its Nomination and Remuneration Committee, Board proposes to continue with his services for a further period of '3' years to avail his valuable services in shaping the future of the Company as an Executive Director (termed as Executive Chairman) whose office shall be liable to determination by retirement of directors by rotation, at such remuneration and terms and condition as set out in item No. 6 of the Notice of this AGM , subject to the approval of members of the company.

The remuneration being offered is in line with the Company's Remuneration Policy as well as present corporate remuneration trends taking due account of his rich background, experience and time devoted

Pursuant to Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013, (the Act) the Companies (Appointment and Qualification of Directors), Rules, 2014,

and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force, the appointment of Mr. K Satyanarayana Murthy & payment of remuneration to him, requires approval of the Members by way of special resolution.

Duties of Mr. Satyanarayana Murthy shall include:

- a. Develop and build strategies to promote the company's mission and voice
- b. Train and interact with senior managers and provide them with guidance and feedback as and when required
- c. Make decisions for operational activities
- d. Set and measure strategic operational goals and KPIs
- e. Plan, implement and manage the overall long-term business success strategy
- f. Plan and monitor the day-to-day operations
- g. Supervise, train and oversee staff from different departments
- h. Organize customer support to enhance customer satisfaction
- i. Shall adhere to the Company's Code of Conduct
- j. Develop strategic advice to the Board of Director
- k. Coordinate with the Board of Directors to ensure that all the efforts are in order.
- l. coordinate and exercise general supervision over all the activities of the Board

Information about the appointee:

1. Background details:

Mr. K. Satyanarayana Murthy, aged 67 years, is a co-promoter and Managing Director of the Company and having over 26 Years of experience in Aqua Industry. He is an under graduate. He has pivotal role in the overall performance of the company by defining and executing business strategy, strengthening governance practices and providing overall leadership to the company. He was appointed as Director at the time of inception, since then he has been an integral part of the company's past and present success. Brief profile of Mr. K. Satyanarayana Murthy is given in the annexure to this Notice.

2. Past Remuneration: The remuneration drawn by Sri Mr. K. Satyanarayana Murthy during last Three years as MD as under:

| Sl.No | Financial Year | Remuneration paid(Rs. In lakhs) |
|-------|----------------|---------------------------------|
| 1. | 2021-22 | 168.00 |
| 2. | 2020-21 | 126.00 |
| 3. | 2019-20 | 168.00 |

3. Recognition or Awards: Mr. K. Satyanarayana Murthy, joined the organisation at its inception as Managing Director of the company.

4. Job Profile and suitability Job Profile include: He is entrusted with the management of the whole of the affairs of the Company being the Managing Director of the company. Within the above parameters, he performs such duties as are or may be entrusted to him by the Board or its Committees from time to time.

5. Remuneration Proposed: As set out in the Resolution at Item No.6.

6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person: Taking into consideration the size of the Company, the profile of Mr. K. Satyanarayana Murthy and the responsibilities shouldered by him, the aforesaid remuneration package is commensurate with the remuneration package paid to managerial position in other Companies.

7. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any: Mr. K. Satyanarayana Murthy does not have any pecuniary relationship directly or indirectly with the Company except for the position he is holding and he is related to the executive directors of the company.

In accordance with the provisions of the Act, appointment of Whole-Time Directors requires approval of the members of the Company. Further, in terms of the Regulation 17(1C) of the SEBI Listing Regulations, effective January 1, 2022, a listed entity shall ensure that approval of shareholders for appointment of a person on the Board of Directors is taken at the next general meeting or within a time period of three months from the date of appointment / re appointment, whichever is earlier. Accordingly, approval of the members is sought for passing a Special Resolution for appointment of Mr. K. Satyanarayana Murthy, as an Executive Director of the company as set out in Resolution at Item No.6.

Both the Nomination and Remuneration Committee and the Board were of the opinion, after evaluation of his qualifications, experience and other attributes, that his continual services on the Board would be of immense benefit to the Company and it is desirable to avail his services as Executive director to strengthen the management of the Company.

He is not disqualified from being appointed as Directors in terms of Section 164 of the Act. Members are requested to note that in terms of Section 196 of the Companies Act, 2013, the appointment of Mr. K. Satyanarayana Murthy as Whole time Director of the Company and remuneration payable to him requires the approval of the shareholders of the Company.

Except Mr. K Satyanarayana Murthy being an appointee and Mr. K Subrahmanya Chowdary and Mrs. K Neelima Devi, being relatives of appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested financially or otherwise, in the resolution except and to the extent they are member of the Company.

Therefore, The Board recommends the resolution set out at Item No. 6 of this Notice to the Members for their consideration and approval by way of Special Resolution.

ITEM NO. 7

Mr. K. Subrahmanya Chowdary has appointed as first director of the company on 30.03.2012, since the inception of the company and subsequently appointed as Executive Director 01.12.2019 for a period of 3 years and his tenure will come to end by 30.11.2022.

Based upon a recommendation of its Nomination and Remuneration Committee, Board proposes to appoint him as Managing Director for a period of 3 years, whose office shall be liable to determination by retirement of directors by rotation at such remuneration and terms and condition as set out in item No. 7 of the Notice of this AGM.

The remuneration being offered is in line with the Company's Remuneration Policy as well as present corporate remuneration trends taking due account of his rich background, experience and time devoted.

Pursuant to Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013, (the Act) the Companies (Appointment and Qualification of Directors), Rules, 2014, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force, the re-appointment of Mr. K. Subrahmanya Chowdary, payment of remuneration to him, requires approval of the Members by way of special resolution.

Duties of Mr. K Subrahmanya Chowdary shall include:

- a. Develop and execute the company's business strategies in order to attain goals
- b. Provide strategic advice to the board and Chairperson
- c. Prepare and implement comprehensive business plans
- d. Plan cost-effective operations and market development activities
- e. Establish company policies and legal guidelines
- f. Build long term, trusting relationships with shareholders, business partners and authorities
- g. Investigate and inspect production, merchandise, and competitors to make well informed planned decisions
- h. Oversee the company's financial performance, investments and other business ventures
- i. Supervise the work of executives providing guidance and motivation to drive maximum performance
- j. Ensure a positive work environment
- k. Oversee the market changes and forces that influence the company.
- l. Reward performance, prevent issues and resolve problems
- m. Execute public speaking and representational appearances in a professional manner



Information about the appointee:

a) Background details: Mr. K Subrahmanya Chowdary, aged 42 years, is a co-promoter and Whole time Director of the Company and having over 18 years of aqua industry. He has a bachelor degree in commerce. He has excellent grasp and thorough knowledge and experience of not only Aqua Industry but also of general management. His knowledge of various aspects relating to the Company's affairs and long business experience. Brief profile of Mr. K. Satyanarayana Murthy is given in the annexure to this Notice.

b) Past Remuneration: The remuneration drawn by Mr. K Subrahmanya Chowdary during last Three years as Executive Director as under:

| Sl.No | Financial Year | Remuneration paid(Rs. In lakhs) |
|-------|----------------|---------------------------------|
| 1. | 2021-22 | 168.00 |
| 2. | 2020-21 | 126.00 |
| 3. | 2019-20 | 168.00 |

c) Recognition or Awards: Mr. K Subrahmanya Chowdary, joined the organisation at its inception as Executive Director of the company and has been providing his limitless contribution towards the success of the company.

d) Job Profile and suitability Job Profile include: Providing strategic inputs at the Board level for decision making for expansion, diversification and other activities and on day to day operational level responsibility towards company and his eventful long association with the Company, steering it to become the integrated producer and exporter of shelf stable quality aquaculture products

e) Remuneration Proposed: As set out in the Resolution at Item No.7.

f) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person: Taking into consideration the size of the Company, the profile of Mr. K Subrahmanya Chowdary and the responsibilities shouldered by him, the aforesaid remuneration package is commensurate with the remuneration package paid to managerial position in other Companies.

g) Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any: Mr. K Subrahmanya Chowdary does not have any pecuniary relationship directly or indirectly with the Company except for the position he is holding and he is related to the executive directors of the company.

In accordance with the provisions of the Act, appointment of Managing Director requires approval of the members of the Company. Further, in terms of the Regulation 17(1C) of the SEBI Listing Regulations, effective January 1, 2022, a listed entity shall ensure that approval of shareholders for

appointment of a person on the Board of Directors is taken at the next general meeting or within a time period of three months from the date of appointment / re appointment, whichever is earlier. Accordingly, approval of the members is sought for passing a Special Resolution for appointment of Mr. K Subrahmanya Chowdary, as Managing Director of the company as set out in Resolution at Item No.6.

Both the Nomination and Remuneration Committee and the Board were of the opinion, after evaluation of his qualifications, experience and other attributes, that his constant services and performances on the Board would be of immense benefit to the Company and it is desirable to avail his services as a Managing director to strengthen the management of the Company.

He is not disqualified from being appointed as Directors in terms of Section 164 of the Act. Members are requested to note that in terms of Section 196 of the Companies Act, 2013, the appointment of Mr. K Subrahmanya Chowdary as Managing Director of the Company and remuneration payable to him requires the approval of the shareholders of the Company.

Therefore, The Board recommends the resolution set out at Item No. 7 of this Notice to the Members for their consideration and approval by way of Special Resolution.

Except Mr. K. Subrahmanya Chowdary, being an appointee and Mr.K Satyanarayana Murthy and Mrs. K Neelima Devi, being relatives of appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution except and to the extent they are member of the Company.

ITEM NO. 8

Mrs. K. Neelima Devi has appointed as director of the company on 18.12.2013. Subsequently appointed as Whole time director 01.12.2019 for a period of 3 years and her tenure will come to end by 30.11.2022. Based upon a recommendation of its Nomination and Remuneration Committee, Board proposes to appointed her as Whole time Director for a period of 3 years, whose office shall be liable to determination by retirement of directors by rotation at such remuneration and terms and condition as set out in item No. 8 of the Notice of this AGM.

Pursuant to Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013, (the Act) the Companies (Appointment and Qualification of Directors), Rules, 2014, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force, the re-appointment of Mrs. K. Neelima Devi, payment of remuneration to him, requires approval of

the Members by way of special resolution.

The remuneration being offered is in line with the Company's Remuneration Policy as well as present corporate remuneration trends taking due account of her rich background, experience and time devoted. Brief profile of Mrs. K. Neelima Devi is given in the annexure to this Notice.

Duties of Mrs. K. Neelima Devi shall include:

- a. Develop and maintain strong relationships with shareholders, other board directors, partners and external authorities
- b. ensure that all employees adhere to the organisation's legal guidelines and other policies
- c. Conducting performance reviews.
- d. To works closely with the board of directors to ensure the overall smooth functioning of the organisation.
- e. Handling of various management tasks like creating top-level business plans, overseeing the company's day-to-day activities, improving organisational performance, supervising department heads, etc
- f. Make decisions for operational activities
- g. Overseeing financial accounts
- h. Provide valuable insights when creating business action plans
- i. Actively communicate with employees they oversee to motivate them and understand their various perspectives.
- j. Plan, implement and manage the overall long-term business success strategy
- k. Plan and monitor the day-to-day operations
- l. Provide strategic advice to the Board of Directors

Information about the appointee:

Background details:

Mrs. K. Neelima Devi, aged 38 years, is a co-promoter of the Company and having experience over 11 years of Aqua industry. She has a graduate degree in science. She has excellent grasp and thorough knowledge and experience of Administration also of general management.

1. Recognition or Awards: Mrs. K. Neelima Devi has appointed as director of the company on 18.12.2013. Subsequently appointed as Whole time director 01.12.2019 for a period of 3 years.

2. Job Profile and suitability Job Profile include: Having valuable experience in performing services to the company as a whole time director of the company, she provided her constant support in making the company successful during her tenure.

3. Past Remuneration: The remuneration drawn by Mrs.. K. Neelima Devi during last Three (3) years as under:

| Sl.No | Financial Year | Remuneration paid(Rs. In lakhs) |
|-------|----------------|---------------------------------|
| 1. | 2021-22 | 125.00 |
| 2. | 2020-21 | 93.75 |
| 3. | 2019-20 | 125.00 |

4. Recognition or Awards: Mrs. K. Neelima Devi has appointed as director of the company on 18.12.2013. Subsequently appointed as Whole time director 01.12.2019 for a period of 3 years

5. Remuneration Proposed: As set out in the Resolution at Item No.8

6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person: Taking into consideration the size of the Company, the profile of Mrs. K. Neelima Devi and the responsibilities shouldered by her, the aforesaid remuneration package is commensurate with the remuneration package paid to managerial position in other Companies.

7. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any: Mrs. K. Neelima Devi does not have any pecuniary relationship directly or indirectly with the Company except for the position she is holding and she is related to the executive directors of the company.

In accordance with the provisions of the Act, appointment of Whole-Time Directors requires approval of the members of the Company. Further, in terms of the Regulation 17(1C) of the SEBI Listing Regulations, effective January 1, 2022, a listed entity shall ensure that approval of shareholders for appointment of a person on the Board of Directors is taken at the next general meeting or within a time period of three months from the date of appointment / re appointment, whichever is earlier. Accordingly, approval of the members is sought for passing a Special Resolution for appointment of Mrs. K. Neelima Devi, as a Whole time Director of the company as set out in Resolution at Item No.8.

Both the Nomination and Remuneration Committee and the Board were of the opinion, after evaluation of her qualifications, experience and other attributes, that her continual services on the Board would be of immense benefit to the Company and it is desirable to avail her services as Executive director to strengthen the management of the Company.



She is not disqualified from being appointed as Directors in terms of Section 164 of the Act. Members are requested to note that in terms of Section 196 of the Companies Act, 2013, the appointment of Mrs. K. Neelima Devi as Whole time Director of the Company and remuneration payable to her requires the approval of the shareholders of the Company.

Except Mrs. K Neelima Devi being an appointee and Mr. K Subrahmanya Chowdary and Mr. K Satyanarayana Murthy, being relatives of appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested financially or otherwise, in the resolution except and to the extent they are member of the Company.

Therefore, The Board recommends the resolution set out at Item No. 8 of this Notice to the Members for their consideration and approval by way of Special Resolution.

Statement pursuant to clause (b) of section ii of Part-II of Schedule v of the Companies Act, 2013 for item No's 6 to 8 of Notice :

General Information:

a) Nature of Industry: Shrimp Processing, M/s. APEX FROZEN FOODS LIMITED is integrated producer and exporter of shelf stable quality aquaculture products

b) Date of commencement of commercial production:

| Sl.No | Details of Segment | Location of plant | Commencement year of commercial production |
|-------|----------------------|--|--|
| 1. | Processing Plant | Kakinada, Andhra Pradesh | 2004 |
| 2. | Processing Plant | G. Ragampeta, Andhra Pradesh | 2020 |
| 3. | Pre-Processing Plant | Tallarevu, Andhra Pradesh | 2016 |
| 4. | Hatchery | <ul style="list-style-type: none"> Bhogapuram(North of Vizag) Srikakulam Ongole | 2016 2016 2019 |
| 5. | Cold Storage | Kakinada G. Ragampeta | 2004 2020 |

c) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus; Not Applicable

d) Financial performance:

| Sl No | Financial Parameters | 2020-21 | 2019-20 | 2018-19 |
|-------|---|------------|-----------|-----------|
| 1. | Turnover | 81, 848.41 | 82,710.54 | 87,471.05 |
| 2. | Net Profit as computed under Section 198 of Companies Act, 2013 | 6,060.21 | 8,076.04 | 9,367.17 |
| 3. | Net profit as per Statement of Profit and Loss. | 6,060.21 | 6,064.17 | 6,079.60 |
| 4. | Amount of dividend paid | 625.00 | 625.00 | 625.00 |
| 5. | Rate of dividend declared per equity share | 20% | 20% | 20% |

e) Foreign Investments or collaborations, if any:

The shareholding details of FIIs, FPIs, NRIs as on March 31, 2022 are as under:

| Sl.No | Category | No. of Equity Shares | % of Paid up capital |
|-------|---|----------------------|----------------------|
| 1. | Foreign Portfolio Investors | 19,716 | 0.06 |
| 2. | Foreign Portfolio – Corp, Foreign Institutional Investors | 0 | 0.00 |
| 3. | Non-resident Indians and Foreign Nationals | 1,99,772 | 0.64 |
| Total | | 2,19,488 | 0.70 |

Other Information:

1. **Reasons of loss or inadequate profits:** At present the financial performance of the company is good and possesses adequate profits. The Company's Earnings Before Interest, Depreciation, Taxation and other Amortizations ("EBIDTA") are positive.
2. **Steps taken or proposed to be taken for improvement:** Management continues to put in best efforts to optimally

utilize capacities by foraying into new markets and also by working on developing value-added products for existing customers in the existing markets.

3. **Expected increase in productivity and profits in measurable terms:** The above measures undertaken are expected to yield positive results in the coming years. While it is difficult to give precise figures, the above initiatives are expected to improve the financial



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

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

| Name of the Director | K Satyanarayana Murthy | K Subrahmanya Chowdary | K Neelima Devi |
|--|--|--|--|
| Date of Birth & Age | 06.03.1955 (67 Years) | 02.12.1979 (42 Years) | 27.08.1984 (38 Years) |
| Date of Appointment | 30.03.2012 | 30.03.2012 | 18.12.2013 |
| Qualifications | PUC | B.Com | B.Sc |
| Relationship between Directors inter-se | K S Chowdary – Son K Neelima devi – daughter in law | K S Murthy – Father, K Neelima devi –wife | K S Chowdary – Husband K S Murthy – uncle (Father of husband) |
| Expertise in specific functional area | He has experience of 26 years in aquaculture industry. He is responsible for making strategic decisions and decisions relating to business development and overall administration of the operations of our Company | He has an experience of 18 years in aquaculture industry. He has played a significant role in the development of our business. He is involved in the business operations and marketing activities of our Company | She has over 11 years of experience in the aqua industry. she is involved in the administration & business operations of our Company |
| Directorship in other listed companies | Nil | Nil | Nil |
| Committee position held in other companies | Nil | Nil | Nil |
| Remuneration Drawn For the FY 2021-22 | Rs.168.00 Lakhs | Rs.168.00 Lakhs | Rs.125.00 Lakhs |
| Share holding as on 31.03.2022 | 89,18,779 (28.54%) | 96,43,828 (30.86%) | 24,000 (0.08%) |



Registered office & Corporate office

Apex Frozen Foods Limited
3-160, Panasapadu, Kakinada, East Godavari District
Andhra Pradesh - 533005, Ph: 0884 - 2383902/3/4
Email: info@apexfrozenfoods.com, Website: www.apexfrozenfoods.in
CIN: L15490AP2012PLC080067