

OVOBEL FOODS LIMITED

31ST ANNUAL REPORT FY – 2022-2023

ADDRESS:

GROUND FLOOR: NO. 46 OLD NO. 32/1,
3RD CROSS, AGA ABBAS ALI ROAD
ULSOOR, BANGALORE- 560042
KARNATAKA, INDIA
TEL.: 080-2559 4145, 080-2559 4146

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CORPORATE INFORMATION
**BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL OF THE COMPANY AS
ON 31 MARCH 2023:**

Name	Designation
Ms.Pooja Jain #	Independent Director, Chairperson
Ms.Priyanka Rajora*	Independent Director
Mr.Syed Fahad	Non Executive Director
Mr.Channappa Bhaviha! Gurusiddappa	Non Executive Director
Mr.Mysore Satish Sharad#	Managing Director
Ms.Prakriti Sarvouy	Compliance Officer and Company Secretary
Mr.Sunil Varghese P	Chief Financial Officer

Mrs.Pooja Jain was appointed as Chairperson of the Board with effect from 10th February 2023. Ms.Jain resigned from the Board of Directors of the Company with effect from 30 May 2023.

*Mrs.Priyanka Rajora resigned from the Board of Directors of the Company with effect from 06 April 2023. Mrs.Rakhi Bajoria and Mrs.Geetika Khandelwal joined the Board of Directors of the Company with effect from 04 April 2023 as Additional, Independent Director.

**Statutory Auditor for Financial Year
2022-23:**

ASA & ASSOCIATES LLP
53/B, LOLS Citadel Level 2 & 3
1st Main Road, 3rd Phase
Sarakki Industrial Layout, J P Nagar
Bengaluru 560078, India
Contact : +91 80 4907 9600

Registrar Share Transfer Agent:

Maheshwari Datamatics Pvt. Ltd.
Registrar & Share Transfer Agent
23 R.N.Mukherjee Road 5th Floor Kolkata -
700001
Contact : 033-22482248, 2243-5029
Fax: 033-22484787
Email: mdpldc@yahoo.com

Registered Office Address

Ground Floor, No.46 Old No.32/1, 3rd Cross,
Aga Abbas Ali Road,Ulsoor, Bangalore – 560
042, Karnataka, India.
Email: info@ovobelfoods.com
Website: www.ovobelfoods.com

Telephone No: +91-80-2559
4145/91-80-25594146
Fax:+91-80-2559 4147

Corporate Identification Number (CIN) L85110KA1993PLC013875

Plant Location Plot # 30, KIADB. Industrial Area
Malur – 563 160, Kolar, Karnataka, India.
Contact Details: +91 (80) 2559 4145
Email:operations@ovobelfoods.com

COMPOSITION OF COMMITTEES AS ON DATE OF THIS REPORT

Audit Committee	Mrs.Rakhi Bajoria, Chairperson Mrs.Geetika Khandelwal Mr.Syed Fahad
Nomination & Remuneration Committee	Mrs.Rakhi Bajoria, Chairperson Mrs.Geetika Khandelwal Mr.Syed Fahad
Stakeholders Relationship Committee	Mrs.Geetika Khandelwal, Chairperson Mrs.Rakhi Bajoria Mr.Channappa Bhavihal Gurusiddappa
Corporate Social Responsibility Committee	Mr.Mysore Satish Sharad, Chairperson Mrs.Geetika Khandelwal Mr.Channappa Bhavihal Gurusiddappa Mr.Syed Fahad

NOTICE TO THE SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT Thirty First Annual General Meeting of the Members of Ovobel Foods Limited will be held through Video Conferencing ("VC") or Other Audio-Visual Means ("OAVM"), on Monday, 3rd July, 2023 at 3:00 p.m. to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended 31st March, 2023 together with the Report of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Channappa Bhavihal Gurusiddappa (DIN: 07278848), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. Appointment of Mrs. Rakhi Bajoria (DIN: 07161473) as Director, Independent

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 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), the Companies Appointment and Qualifications of Directors) Rules, 2014, and the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), including any statutory modification(s) or re-enactment(s) thereof for the time being in force, Mrs. Rakhi Bajoria (DIN: 07161473), who has been appointed as an Additional Director of the Company by the Board of Directors with effect from 4th April 2023 based on the recommendation of Nomination and Remuneration Committee, in terms of Section 161(1) of the Companies Act, 2013 and who holds office upto the date of this Annual General Meeting and who qualifies for being appointed as an Independent Director as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations, and in respect of whom the Company has received a notice in writing from a Member of the Company under Section 160 of the Companies Act, 2013 proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a period of 5 (five) years commencing with effect from 4th April 2023.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) and/or Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

4. Appointment of Mrs. Geetika Khandelwal (DIN: 10061631) as Director, Independent

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 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), the Companies Appointment and Qualifications of Directors) Rules, 2014, and the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), including any statutory modification(s) or re-enactment(s) thereof for the time being in force, Mrs.Geetika Khandelwal (DIN: 10061631), who has been appointed as an Additional Director of the Company by the Board of Directors with effect from 4th April 2023 based on the recommendation of Nomination and Remuneration Committee, in terms of Section 161(1) of the Companies Act, 2013 and who holds office upto the date of this Annual General Meeting and who qualifies for being appointed as an Independent Director as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations, and in respect of whom the Company has received a notice in writing from a Member of the Company under Section 160 of the Companies Act, 2013 proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a period of 5 (five) years commencing with effect from 4th April 2023.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) and/or Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

By Order of the Board
For Ovobel Foods Limited

Sd/
Prakriti Sarvouy
Company Secretary
ACS: 21962
Place: Bangalore
Date: 06.06.2023

Notes:

1. Pursuant to General Circular issued by the Ministry of Corporate Affairs ("MCA") vide 10/2022 and 11/2022 dated 28.12.2022, 02/2022 dated May 05, 2022 read with General Circulars Nos. 14/2020, 17/2020, 20/2020, 2/2021, 10/2021, 20/2021 and 21/2021 dated April 08, 2020, April 13, 2020, May 05, 2020, January 13, 2021, June 23, 2021, December 08, 2021 and December 14, 2021 respectively (collectively referred to as "MCA Circulars") and Circular no. SEBI/HO/CFD/CM D2/ CIR/P/2022/62 dated May 13, 2022 read with SEBI/HO/CFD/CMDI/CIR/P/2020/79 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 issued by the Securities and Exchange Board of India ("SEBI circulars") and in compliance with the provisions of the Companies Act, 2013 ("the Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), have allowed the Companies to conduct the Annual General Meeting (AGM") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without the physical presence of the members at a common venue.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly the facility for appointment of proxies by the Members will not be available for the AGM and hence the Attendance Slip and Proxy Form are not annexed to this Notice
3. Additional information pursuant to SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 with Stock Exchanges on appointment of Directors at the Annual General Meeting is appearing in the Corporate Governance Report.
4. Pursuant to the Circular of Ministry of Corporate Affairs No. 17/2011 dated 21-4-2011, members are requested to provide their email ids to the Company at its Registered Office at Ground Floor, No.46 Old No.32/1, 3rd Cross, Aga Abbas Ali Road, Ulsoor, Bangalore-560042, Karnataka (email id: cs@ovobelfoods.com) or to Registrars, M/s. Maheshwari Datamatics Pvt. Ltd., 23, R.N. Mukherjee Road, 5th Floor, Kolkata-700001 (e-mail id – mdpldc@yahoo.com).
5. Members are requested to notify any change in their address / mandate / bank details immediately to the Company at its Registered Office at Ground Floor, No.46 Old No.32/1, 3rd Cross, Aga Abbas Ali Road, Ulsoor, Bangalore-560042, Karnataka (email id : cs@ovobelfoods.com) or to the Registrars, M/s. Maheshwari Datamatics Pvt. Ltd., 23, R.N. Mukherjee Road, 5th Floor, Kolkata-700001 (e-mail id: mdpldc@yahoo.com).
6. Members who have multiple accounts in identical names or joint accounts in the same order are requested to consolidate all such shareholdings into one account to facilitate better service.
7. Depository System – The Company, consequent to introduction of the Depository System, entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Members, therefore, now have the option of holding and dealing in shares of the Company in electronic form through NSDL or CDSL. With effect from 26-12-2000 trading in shares of the Company on any Stock Exchange is permitted only in dematerialized form.

8. Individual shareholders can avail the facility of nomination. The nominee shall be the person in whose name all rights of transfer and / or amount payable in respect of shares shall lie in the event of the death of the shareholder and the joint holder(s), if any. A minor can be a nominee provided the name of the guardian is given in the Nomination Form. Non-individual including Society, Trust, Body Corporate, Partnership Firm, Karta of Hindu Undivided Family, holder of Power of Attorney cannot nominate. For further details in this regard shareholders may contact M/s Maheshwari Datamatics Pvt. Ltd., Registrars and Transfer Agents.
9. Members are requested to quote their account / folio number and in case their shares are held in dematerialized form, they must quote their Client ID Number and DP ID Number.
10. The Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday, 27 June 2023 to Monday, 3rd July 2023 (both days inclusive).
11. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with Annual Report 2022-23 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depository Participants. Members may note that the Notice and the Annual Report 2022-23 will also be available on the Company's website at www.ovobelfoods.com, on the website of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and on the website of CDSL i.e. www.evotingindia.com
12. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
13. Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN detail to the Company/Registrars and Transfer Agents.
14. In compliance with the provisions of Section 108 of the Act and the Rules framed thereunder, as amended to date and Regulation 44 of the Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all the resolutions set forth in this Notice. The instructions for e-voting are given hereinbelow. The remote e-voting period commences at 10.00 A.M. on Friday, 30 June 2023 and ends at 5.00 P.M. (IST) on Sunday, 02 July 2023. During this period, Members holding shares either in physical or de-materialized form as on the Cut-Off Date i.e., Monday, 26th June 2023, may cast their votes electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast 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 during the AGM.
15. Members holding shares in physical form are informed that Securities and Exchange Board of India has amended SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 which has come into force wherein except in cases of transmission or transposition of securities requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository. Hence, members holding securities in physical form are requested to convert their holdings to dematerialised form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company's RTA for assistance in this regard.

16. Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and The Register of Contracts and Arrangements in which Directors are interested under Section 189 of the Companies Act, 2013 will also be made available for electronic inspection from the date of circulation of this Notice upto the conclusion of this AGM.
17. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice
18. Members who have not registered their e-mail address so far, are requested to register their email address for receiving all communications including Annual Report, Notices, Circulars etc. from the Company electronically. The instructions for shareholders voting electronically are as under:

**The instructions for shareholders voting electronically are as under:
CDSL e-Voting System – For Remote e-voting and e-voting during AGM**

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (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 dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, , the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.ovobelfoods.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

- (i) The voting period begins on 10.00 A.M. on Friday, 30 June 2023 and ends at 5.00 P.M. (IST) on Sunday, 02 July 2023. 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 Monday, 26th June 2023 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 abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) 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. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting 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 are 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. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting 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"> 1) 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 authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

	<p>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</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting</p>
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 abovementioned 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	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at

in Demat mode with NSDL	evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
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- (v) Login method for e-Voting and joining virtual meeting for **shareholders other than individual shareholders holding in Demat form & physical shareholders.**

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

- (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) **Facility for Non – Individual Shareholders and Custodians –Remote Voting**
- 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@ovobelfoods.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote 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 request in advance atleast **5 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at cs@ovobelfoods.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **5 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at cs@ovobelfoods.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/RTA** at cs@ovobelfoods.com / mdpldc@yahoo.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, Marathon Futorex, 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.

Other Instructions:

1. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast 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 during the AGM.
2. The Members who have cast their vote by remote e-voting prior to the AGM may also attend / participate in the AGM through VC / OAVM, but shall not be entitled to cast their vote again.
3. The remote e-voting period commences at 10.00 A.M. on Friday, 30 June 2023 and ends at 5.00 P.M. (IST) on Sunday, 02 July 2023. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Monday, 26th June 2023 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast 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 during the AGM.
4. The voting rights of the members shall be in proportion to their shares in the paid-up equity share capital of the Company as on Monday, 26th June 2023.
5. Ms. Suman Bajoria, Practicing Company Secretary (Membership No. 20904 and COP No.17602) has been appointed as the Scrutinizer to Scrutinize the e-voting process in fair and transparent manner, whose e-mail address is cssumanbajoria@gmail.com.
6. The Scrutinizer shall after the conclusion of voting at the Annual General Meeting will first count the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated Scrutinizer's Report of the

total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

7. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.ovobelfoods.com and the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited.
8. The Scrutinizer shall within a period not exceeding 3 (Three) working days from the conclusion of the e-voting period unblock the votes in the presence of atleast 2 witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
9. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection by the Members by writing an e-mail to the Company Secretary at cs@ovobelfoods.com
10. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

Item No.3

The Board of Directors of the Company, based on the recommendations of the Nomination and Remuneration Committee ('NRC'), appointed Mrs. Rakhi Bajoria (DIN: 07161473) as an Additional Director of the Company with effect from 04 April 2023. In terms of Section 161(1) of the Act, Mrs.Bajoria holds office upto the date of this Annual General Meeting ('AGM') and is eligible for appointment as a Director. The Company has received a Notice from a Member in writing under Section 160(1) of the Act proposing her candidature for the office of Director.

Based on the recommendations of the Nomination & Remuneration Committee (NRC) and subject to the approval of the Members, Mrs.Bajoria was also appointed as an Independent Woman Director of the Company, not liable to retire by rotation, for a period of 5 (five) consecutive years commencing from 04 April 2023 to 03 April 2028, in accordance with the provisions of Section 149 read with Schedule IV to the Act. Mrs.Bajoria has consented to act as Director of the Company, subject to appointment by the Members and has given her declaration to the Board that she meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations. In terms of Regulation 25(8) of the SEBI Listing Regulations, Mrs.Bajoria has confirmed that she is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge her duties. She has also confirmed that she is not debarred from holding the office of a Director by virtue of any SEBI Order or any such Authority.

Further, Mrs.Bajoria is not disqualified from being appointed as a Director in terms of Section 164 of the Act. Mrs.Bajoria has confirmed that she is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to her registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs ('IICA'). In the opinion of the Board, Mrs.Bajoria fulfils the conditions specified under the Act read with Rules thereunder and the SEBI Listing Regulations for her appointment as an Independent Non-Executive Director of the

Company and is independent of the management.

The terms and conditions of the appointment of Independent Directors is available on the website of the Company www.ovobelfoods.com.

Mrs.Bajoria, aged 40, is a qualified Company Secretary and has over 15 years of experience in the fields of Secretarial and legal functions. A commerce Graduate from Calcutta University, she also hold a Bachelor degree in Law (3 Year LLB) from M S Law College, Cuttack (Utkal University) and Masters in Business Law from National Law School of India University, Bangalore. She has experience in handling Company Law, SEBI Listing Agreement and FEMA matters. Presently, she is also an Independent Director on the Board of Jai Balaji Industries Ltd, listed on BSE and NSE.

In compliance with the provisions of Section 149 read with Schedule IV to the Act, Regulation 17 of the SEBI Listing Regulations and other applicable regulations, the appointment of Mrs.Bajoria as an Independent Director for 5 (five) consecutive years commencing from 04 April 2023 is now placed for the approval of the Members by a Special Resolution. Based on the qualifications, experience and knowledge, the Board considers that Mrs.Bajoria's association would be of immense benefit to the Company and accordingly, the Board commends the Special Resolution set out in Item No. 3 of the accompanying Notice for approval of the Members. Except Mrs.Bajoria and her relatives, none of the Directors or Key Managerial Personnel (KMP) of the Company and their respective relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No.3 of the accompanying Notice.

Item No.4

The Board of Directors of the Company, based on the recommendations of the Nomination and Remuneration Committee ('NRC'), appointed Mrs.Geetika Khandelwal (DIN: 10061631) as an Additional Director of the Company with effect from 04 April 2023. In terms of Section 161(1) of the Act, Mrs.Khandelwal holds office upto the date of this Annual General Meeting ('AGM') and is eligible for appointment as a Director. The Company has received a Notice from a Member in writing under Section 160(1) of the Act proposing her candidature for the office of Director.

Based on the recommendations of the NRC and subject to the approval of the Members, Mrs.Khandelwal was also appointed as an Independent Woman Director of the Company, not liable to retire by rotation, for a period of 5 (five) consecutive years commencing from 04 April 2023 to 03 April 2028, in accordance with the provisions of Section 149 read with Schedule IV to the Act. Mrs.Khandelwal has consented to act as Director of the Company, subject to appointment by the Members and has given her declaration to the Board that she meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations. In terms of Regulation 25(8) of the SEBI Listing Regulations, Mrs.Khandelwal has confirmed that she is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge her duties. She has also confirmed that she is not debarred from holding the office of a Director by virtue of any SEBI Order or any such Authority.

Further, Mrs.Khandelwal is not disqualified from being appointed as a Director in terms of Section 164 of

the Act. Mrs.Khandelwal has confirmed that she is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to her registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs ('IICA'). In the opinion of the Board, Mrs.Khandelwal fulfils the conditions specified under the Act read with Rules thereunder and the SEBI Listing Regulations for her appointment as an Independent Non-Executive Director of the Company and is independent of the management.

The terms and conditions of the appointment of Independent Directors is available on the website of the Company www.ovobelfoods.com.

Mrs.Khandelwal, aged 32, is a qualified Company Secretary and has over 8 years of experience in the fields of Secretarial and legal functions. She is a Commerce Graduate from Calcutta University and has experience in handling Company Law, taxation and FEMA matters.

In compliance with the provisions of Section 149 read with Schedule IV to the Act, Regulation 17 of the SEBI Listing Regulations and other applicable regulations, the appointment of Mrs.Khandelwal as an Independent Director for 5 (five) consecutive years commencing from 04 April 2023 is now placed for the approval of the Members by a Special Resolution. Based on the qualifications, experience and knowledge, the Board considers that Mrs.Khandelwal's association would be of immense benefit to the Company and accordingly, the Board commends the Special Resolution set out in Item No. 4 of the accompanying Notice for approval of the Members. Except Mrs.Khandelwal and her relatives, none of the Directors or Key Managerial Personnel (KMP) of the Company and their respective relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No.4 of the accompanying Notice.

By Order of the Board
For Ovobel Foods Limited

Sd/
Prakriti Sarvouy
Company Secretary
ACS: 21962
Place: Bangalore
Date: 06.06.2023

Annexure to the notice pursuant to Regulation 36(3) of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015

Brief Profile of the Directors seeking appointment/re-appointment at the Thirty First Annual General Meeting

Name of Director	Channappa Bhavihal Gurusiddappa	Rakhi Bajoria	Geetika Khandelwal
DIN	07278848	07161473	10061631
Date of Birth	22/05/1952	07/09/1982	27/06/1991
Date of Appointment as Director	11 December 2020	04 April 2023	04 April 2023
Qualification	B.A	B. Com (Hons), 3 year LLB, Masters in Business Law from National Law School of India University, Bangalore and Company Secretary	B. Com (Hons) and Company Secretary
Expertise in Specific functional areas	He is actively involved in the business of Real Estate & Land Development in and around Bangalore under the Brand "Aditya Builders and Developers". He also has interests in the renewable energy sector.	Mrs.Bajoria, aged 40, is a qualified Company Secretary and has over 15 years of experience in the fields of Secretarial and legal functions. She has rich experience in handling Company Law, SEBI Listing Agreement and FEMA matters.	Mrs.Khandelwal, aged 32, is a qualified Company Secretary and has over 8 years of experience in the fields of Secretarial and legal functions. She has experience in handling Company Law, taxation and FEMA matters.
Member of the Committees of the Board of Directors of the Company	Corporate Social Responsibility Committee	Audit committee Stakeholders Relationship Committee Nomination and Remuneration Committee	Audit committee Stakeholders Relationship Committee Nomination and Remuneration Committee Corporate Social Responsibility Committee
Directorship held in any other listed entity	Nil	Independent Director in Jai Balaji Industries Limited (CIN: L27102WB1999PLC089755)	Nil
Membership in the Committees of the Board of Directors of	Nil	Audit Committee - Member Nomination & Remuneration Committee - Member	Nil

other Listed Entity in which he/she is a Director			
No. of Equity Shares held in the Company directly or as beneficial holder	Nil 10,12,000 shares held by his immediate relative.	Nil	Nil
Inter-se Relation-ships between Director	Nil	Nil	Nil
listed entities from which the person has resigned in the past three years	Nil	Resigned from Chandi Steel Limited on 10/08/2022, A Calcutta Stock Exchange listed Company where she held the following positions: 1. Chairperson of Nomination and Remuneration Committee 2. Chairperson of Stakeholder Relationship Committee 3. Member of Corporate Social Responsibility Committee	Nil
skills and capabilities required for the role and the manner in which the proposed person meets such requirements	NA	She is a corporate professional with more than 15 years of rich experience in the Compliance Management of reputed organizations with core competencies in Due Diligence, Financial Reporting, Statutory Compliance and Finance.	She is a Practicing Company Secretary with more than 8 years of rich experience in the Compliance Management of reputed organizations with core competencies in Due Diligence, Statutory Compliance Taxation and Finance.

BOARD'S REPORT

To,

The Members of
Ovobel Foods Limited,
Bangalore

Your Directors are pleased to present the 31st (Thirty First) Annual Report of Ovobel Foods Limited together with the Audited Statement of Accounts for the year ended 31st March 2023.

1. **PERIOD OF THE REPORT**

This report pertains to the period from 01st April 2022 to 31st March 2023.

2. **EXTRACT OF ANNUAL RETURN AS PROVIDED UNDER SECTION 92(3):**

The Annual Return of the Company as on March 31, 2023 is available on the Company's website and can be accessed at <https://www.ovobelfoods.com/general-information/annual-returns/>

3. **FINANCIAL SUMMARY AND HIGHLIGHTS:**

(Rupees in lakhs)

<u>Particulars</u>	<u>Year Ended</u> <u>31.03.2023</u>	<u>Year Ended</u> <u>31.03.2022</u>
Revenue from Operations	22,134.15	12508.68
Other Income	342.37	194.29
Profit/Loss before depreciation, finance costs, exceptional items and Tax Expenses	5,464.68	165.97
Less: Depreciation/ Amortisation/ Impairment	76.67	90.24
Profit/Loss before finance costs, exceptional items and Tax Expenses	5,388.01	75.729
Less: Finance costs	128.43	63.28
Profit/Loss before exceptional items and Tax Expenses	5,259.58	12.44
Less: Exceptional items	-	-
Profit/Loss before Tax Expenses	5,259.58	12.44
Less: Tax Expenses	1,377.31	10.74
Profit and Loss for the year	3,882.27	1.70
Total Comprehensive Income/Loss	8.48	13.65
Total	3,890.75	15.35
Balance of Profit/loss for earlier years	558.79	543.22
Less: Transfer to Debenture Redemption Reserve	--	--

Less: Transfer to Reserves	3890.92	15.57
Less: Dividend on Equity Shares	--	--
Less: Dividend Distribution Tax	--	--
Balance Carried Forward	4,449.71	558.79

The following gives a summary of the Financial Results of the Company:

(Rupees in lakhs)

Particulars	<u>YearEnded31.03.2023</u>	<u>YearEnded31.03.2022</u>
Total Revenue	22,476.52	12,702.97
Total Expenses	17,216.94	12,690.53
Earnings before interest, tax, finance cost, depreciation and amortization (EBITDA)	5,464.68	165.97
Depreciation and Finance Cost	205.10	153.520
Net Profit/Loss Before Tax	5,259.58	12.44
Tax Expenses	1,377.31	10.74
Net Profit/Loss After Tax	3,882.27	1.70
Earnings per ShareBasic & Diluted	40.86	0.018

4. NATURE OF BUSINESS:

The company operates in the domain of egg powder and frozen egg manufacture and exports. There has been no change in the nature of business of the Company during the year under review. At its Extraordinary General meeting held on 02 May 2023, the shareholders passed a resolution to allow the Company to diversify its operations which can be successfully carried out along with the current business.

5. DETAILS OF MATERIAL CHANGES FROM THE END OF THE FINANCIAL YEAR:

There is no material changes in the operations of the Company from the end of the financial year till the date of this report.

6. CAPITAL REDUCTION AND PROMOTER SHAREHOLDING

As on the date of the report, the total promoter shareholding in the Company is 72,71,500 equity shares equivalent to 76.53%. Due to reduction of share capital approved by the NCLT, the promoter shareholding has increased beyond the threshold limit of 75%, thus the Company is required to ensure that the Promoters of the Company dilute their shareholding, sell 1,45,900 (One Lakh Forty Five Thousand Nine Hundred) equity shares equivalent to 1.54% of the paid up capital so that the entire public shareholding in the Company is minimum 25% of the paid up capital of the Company within a maximum period of 12 months from the date of such fall as per the provisions of Rule 19 A of the Securities Contracts (Regulation) Rules, 1957 as amended from time to time.

7. SHARE CAPITAL AND ITS CHANGES:

During the financial year ended March 31, 2023:

- i. the Company has not altered the authorized share capital of the Company.
- ii. the Company has not issued and allotted shares.
- iii. has not reclassified or sub-divided the authorized share capital.
- iv. has not reduced the share capital*.
- v. has not buy backed any shares.
- vi. has not issued any equity shares with differential voting rights, sweat equity shares, convertible securities debenture, bonds, warrants.

*In the financial year 2018-19, as per BIFRproceedings, Karnataka State Industrial and Infrastructure Development Corporation Limited (KSIIDC) & Ministry of Food Processing Industry (MFPI) have accepted the scheme of one-time settlement and have issued no due certificate and released 10,00,000 equity shares to the Company. During the financial year 2019-20, the Company had submitted draft scheme of reduction of share capital from INR10,50,08,000 to INR9,50,08,000 to the SEBI for the approval. The Company obtained an order from Hon'ble National Company Law Tribunal, Bangalore dated 8 March 2022 approving the said Scheme of Capital Reduction. The Company had as on 31st March 2022 given effect to the reduction of share capital in its accounts and was awaiting an order from Bombay Stock Exchange for extinguishment of 10,00,000 equity shares subsequent to which the same will get effect on shareholding pattern.

As on 31 March 2023, the Company, subsequent to receipt of approval of the Bombay Stock Exchange for extinguishment of share certificates, has given effect to the reduction of share capital in its shareholding pattern as well.

8. TRANSFER TO RESERVES AND SURPLUS ACCOUNT:

In view of the requirement of funds for business operations of the Company, no amount has been proposed to be transferred to Reserves. Further, the whole amount has been proposed to be retained in the Profit and Loss Account.

9. DIVIDEND:

During the year ended 31st March 2023, the company has not proposed for any dividend payable to the shareholders. The Board regrets its inability to recommend any dividend in view of the need to preserve cash flows for investing in the activities of the Company.

10. INFORMATION ABOUT SUBSIDIARY/ JV/ ASSOCIATE COMPANY:

The Company does not have any Subsidiary, Joint Venture or Associate Company during the period under review.

11. DEPOSITS:

During the financial year under review, the Company did not accept any deposits covered under chapter V of the Companies Act, 2013 and Section73 of the Companies Act, 2013 and

the Companies (Acceptance of Deposits) Rules, 2014. Further, no amount of deposit remained unpaid or unclaimed at the end of the year i.e. as on 31st March, 2023. Subsequently, no default has been made in repayment of deposits or payment of interest thereon during the year.

12. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

Your Company has adopted a framework and policy for approving related party arrangements /transactions. Review of Related Party arrangements /transactions is carried by the Audit Committee at its meetings. Company has framed Related Party Transactions Policy providing the framework for approval of related party transactions by the Audit Committee and Board.

The details of the Related Party Transactions during the period under review are provided in **Annexure I** (AOC-2) which forms part of the Board Report.

The policy on the Related Parties Transactions has been disclosed on the website of the Company. Below is the link of the website:

<http://www.ovobelfoods.com/general-information/policies/related-party-transaction/>

13. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Report on Management Discussion and Analysis Report as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Regulations) Regulations, 2015 forms part of this Annual Report and is annexed to this Report as **Annexure II**. Certain Statements in the said report may be forward looking. Many factors may affect the actual results, which could be different from what the Directors envisage in terms of the future performance and outlook.

14. CORPORATE GOVERNANCE:

Your Company is committed to observe good Corporate Governance practices. The report on Corporate Governance for the financial year ended March 31, 2023 as per Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms part of this Annual Report and is annexed to this Report as **Annexure III**. The requisite certificate from ASA & Associates LLP, Statutory Auditors confirming Compliance with the provisions of Corporate Governance is attached to this Report as **Annexure IV**.

15. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, your Company as part of its CSR initiatives has undertaken projects/programs in accordance with the CSR Policy and the details of the CSR activities are given as **Annexure V** forming part of this Report. The policy on the Corporate Social Responsibility has been disclosed on the website of the Company.

16. CHANGESINCOMPOSITIONOFDIRECTORSANDKEYMANAGERIALPERSONNEL:

During the financial year 2022- 23, there was no change in the Board of Directors of the Company. The Changes in the Board of Directors / Keymanagerialpersonnel post the closure of financial year on 31 March 2023 and the details of Director proposed to retire at the ensuing Annual General Meeting of the Company is as follow:

SL No	NameoftheDirector	DIN	Designation	Appointment /Resignatio n/Rotation	w.e.f
1.	Mr.ChannappaBhavihalGurusi ddappa	07278848	Director(Promoter,Non -Executive Director)	Rotation	Date of AGM
2	Mrs. Rakhi Bajoria	07161473	Additional Director (Independent, Woman)	Appointment	04 April 2023
3	Mrs.Geetika Khandelwal	10061631	Additional Director (Independent, Woman)	Appointment	04 April 2023
4	Ms. Priyanka Rajora	08985737	Director (Independent)	Cessation due to resignation	06 April 2023
5	Ms,Pooja Jain	08985766	Director (Independent)	Cessation due to resignation	30 May 2023

Mrs. Rakhi Bajoria (DIN: 07161473) and Mrs.Geetika Khandelwal (DIN: 10061631), were appointed as Additional Directors, Independent (Woman), of the Company by the Board of Directors with effect from 4th April 2023 based on the recommendation of Nomination and Remuneration Committee, in terms of Section 161(1) of the Companies Act, 2013 and who holds office upto the date of this Annual General Meeting and qualifies for being appointed as Independent Director as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations. The Company has received notices in writing from Member of the Company under Section 160 of the Companies Act, 2013 proposing their candidature for the office of Director.

17. DIRECTOR'SRESPONSIBILITYSTATEMENT:

In Compliance with Section134 (5) of the Companies Act, 2013, the Board of Directors to the best of their knowledge and hereby confirm the following:

- In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period.
- The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

- d. The Directors had prepared the annual accounts on a going concern basis.
- e. The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively.
- f. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

18. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

The Company has invested in 10,000 Equity Instruments at a face value of Rs. 10/-each fully paid in SMIFS Capital Markets Limited (Quoted) on 28th March 1995. (Market value of the equity shares as on 31st March 2022 was Rs 4.095 Lakhs and as on 31st March 2023 was Rs.3.879 lakhs.

During the year the Company acquired 90,00,000 Non convertible debentures (secured, unlisted, redeemable) of Rs.10/-each @4% interest rate in Greenergy Bio Refineries Private Limited (CIN: U11100KA2020PTC134566) for a tenure of 3 years. Mr.Syed Fahad is interested in this transaction as he is promoter, director and shareholder of Greenergy Bio Refineries Private Limited.

19. INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY:

The Company had laid down guidelines, policies, procedures and structure to enable implementation of appropriate internal financial controls across the Company. These control processes enable and ensure the orderly and efficient conduct of Company's business, including safeguarding of assets, prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and timely preparation & disclosure of financial statements. Review and control mechanisms are built into ensure that such control systems are adequate and operating effectively. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board & Managing Director.

20. COMMITTEES OF THE BOARD:

- Audit Committee
- Stakeholder Relationship Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee
- Committee of Independent Directors

The Board of Directors has constituted four Committees i.e. Audit Committee, Stakeholder Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee as per requirement of Corporate Governance under SEBI (LODR) Regulation 2015.

During the financial year 2020-21, a Committee of Independent Directors was formed on 18 January 2021 under Regulation 26(6) of SEBI (Substantial Acquisition of Shares and Takeovers)

Regulations, 2011 as Company was undergoing the open offer procedure under the said regulations, this Committee has been dissolved on 04 April 2023 as the process was over and the Committee was no longer required.

The majority of the members of these Committees are Independent and non-executives directors. All the recommendations made by the Committees of the Board including the Audit Committee were accepted by the Board.

During the financial year 2022-2023, **6** (Six) Audit Committee Meetings, **2** (Two) Nomination and Remuneration Committee Meeting, **3** (Three) Stakeholders Relationship Committee Meetings and **2** (Two) Corporate Social Responsibility Meetings were held at the Company as per requirement of Corporate Governance and any other applicable Regulations of the SEBI (LODR) Regulation 2015.

21. CEO & CFO CERTIFICATION:

CEO & CFO Certification Pursuant to SEBI (LODR) Regulation, 2015, forms part of this Annual Report and annexed to this Report as ***Annexure VI***.

22. COMPLIANCE WITH SECRETARIAL STANDARD:

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

23. EMPLOYEE STOCK OPTION PLAN:

The Company has not adopted any Employee Stock Option Plan during the period under review.

24. DECLARATION BY INDEPENDENT DIRECTORS:

All independent directors have given declarations stating that they meet the criteria of independence as laid down under section 149(7) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder and as per the requirement of SEBI (LODR) Regulation 2015.

25. BOARD EVALUATION:

- a. As per the provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, the formal annual evaluation was carried out for the Board's own performance, its committee & Individual directors.
- b. The Independent Directors meeting to review the performance of the non-Independent Directors and Board as whole was held on 14.02.2023.

26. BOARD MEETINGS /COMMITTEE MEETINGS:

During the financial year 2022-23, 6 (Six) Board Meetings and 13 (Thirteen) Committee Meetings were held. The details of all Board meeting and Various Committee's Meeting

are given in the Corporate Governance Report. The intervening gap between the Meetings was within the time prescribed under the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

27. CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL:

- a. The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and on matters relating to integrity in the workplace, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behavior from an employee in each situation and the reporting structure.
- b. All the Board Members and the Senior Management personnel have confirmed compliance with the Code.
- c. The Code of conduct has been posted on the Company website [http://www.ovobelfoods.com/general- information/policies/code-conduct/](http://www.ovobelfoods.com/general-information/policies/code-conduct/)

28. STATUTORY AUDITORS:

ASA & Associates, LLP were appointed as the Statutory Auditors of the Company by the shareholders of the Company at their 29TH Annual General Meeting held on 24 September 2021 for a period of 5 years.

As per the applicable provisions of the Companies Act, 2013 and relevant rules made thereunder, the Audited financial statements along with Statutory Audit report for the FY 2022-23 is hereby annexed as ***Annexure VIII.***

29. SECRETARIAL AUDITOR AND REPORT:

Pursuant to the provisions of Section 204 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, the Board of Directors had appointed Chetan Mandlia & Associates, Company Secretaries, Mumbai as Secretarial Auditor of the Company for the financial year 2022-23.

Section 204 of the Companies Act, 2013 read with rules made thereunder inter-alia requires every listed company to annex with its Board report, a Secretarial Audit Report given by a Company Secretary in Practice in the Form MR-3. As per the above-mentioned provisions Secretarial Audit report, as given by Chetan Mandlia & Associates, Company Secretaries is hereby annexed as ***Annexure VII.***

30. COST AUDITORS:

The requirement of appointment of cost auditors is not applicable to the Company.

31. EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION/ ADVERSE REMARK/ DISCLAIMER MADE BY THE AUDITORS:

The Statutory Auditors' Report does not contain any qualifications.

Secretarial Auditor's observations/comments/qualifications:

- The Company is suspended from trading of securities at Calcutta Stock Exchange Limited.

Management Reply: The Directors of the Company will take necessary steps for delisting of securities at Calcutta Stock Exchange Limited. The Directors of the Company had visited to the Stock Exchange and discussed the matter relating to delisting of shares.

- There was a delay of 1 day in publishing June 2022 quarter results in newspapers. The same was declared on 14 August 2022, the same was published in newspaper on 17 August 2022 instead of 16 August 2022.

Management Reply: Due to holiday on 15th August the Company missed to communicate with the newspaper agency for publication of results on 16 August 22. Thus there was a delay of one day.

- There was delay in furnishing details of inter-se transfer of shares by the promoters, by the Company to the Stock Exchange. The transfer to immediate relative was made on 27 March 2023, promoter informed the Company on 29 March 2023. The Company filed the requisite disclosure under Regulation 7(2) of SEBI (PIT) regulations with Stock Exchange on 17 April 2023.

Management Reply: Since the transfer was inter se among the promoters in an off market transaction and there was no trading of shares, the Company was initially of the view that the same is not required to be filed with Stock Exchange under this Regulation.

- There was a delay in filing MGT 7, Annual Report for FY ended 31 March 2022, the same was not filed as on the date of the Report.

Management Reply: During the year ended 31 March 2022, there was reduction of paid up capital of the Company, the same was supposed to be reflected in the form. However due to technical error the Company was not able to fill the same in the form. The Company is finding alternate ways to file the same and will do that in some days.

- The shareholding of the promoters of the Company as on 31 March 2023 is beyond the threshold limit as specified in Reg 38 of SEBI (LODR) 2015 and Rule 19(2) and Rule 19A of the Securities Contracts (Regulation) Rules, 1957. The Company is required to bring down promoter holding to maintain minimum public shareholding of 25%.

Management Reply: In the financial year 2018-19, as per BIFR proceedings, Karnataka State Industrial and Infrastructure Development Corporation Limited (KSIIDC) & Ministry of Food Processing Industry (MFPI) have accepted the scheme of one-time settlement and have issued no due certificate and released 10,00,000 equity shares to the Company. During the financial

year 2019-20, the Company had submitted draft scheme of reduction of share capital from INR. 10,50,08,000 to 9,50,08,000 to the SEBI for the approval. The Company obtained an order from Hon'ble National Company Law Tribunal, Bangalore dated 8 March 2022 approving the said Scheme of Capital Reduction.

The Auditors took the strict view that as the Order of NCLT was received before 31 March 2022, the Order was made effective in the Accounts of the Company to give a true and fair view without waiting for other procedures for extinguishment of shares. Thus the Company had as on 31st March 2022 given effect to the reduction of share capital in its accounts and was awaiting an order from Bombay Stock Exchange for extinguishment of 10,00,000 equity shares subsequent to which the same will get effect on shareholding pattern.

As on 31 March 2023, the Company, subsequent to receipt of approval of the Bombay Stock Exchange for extinguishment of share certificates, has given effect to the reduction of share capital in its shareholding pattern as well. The promoters will during the FY 2023-24, take measures to maintain minimum public shareholding of 25%.

32. NOMINATION AND REMUNERATION POLICY

The Board of Directors have adopted and approved a Nomination and Remuneration policy which includes the terms and conditions for appointment and payment of remuneration to the Directors and Key Managerial Personnel (KMP) and other senior management personnel including criteria for determining qualifications, positive attributes, independence of a director as per Schedule IV of the Companies Act, 2013. The said policy has been made available on the website of the Company www.ovobelfoods.com under the weblink "<https://www.ovobelfoods.com/general-information/policies/>". The same is attached as "Annexure – IX" and forms integral part of this Report.

33. CORPORATE SOCIAL RESPONSIBILITY (CSR)

In accordance with the requirements of Section 135 of Companies Act, 2013 and rules made there under, your Company has a Corporate Social Responsibility Committee. The terms of reference of the Corporate Social Responsibility Committee is provided in the Corporate Governance Report.

The Corporate Social Responsibility Policy (CSR Policy) formulated under recommendation of Corporate Social Responsibility Committee is available under the web link <http://www.ovobelfoods.com/general-information/policies/csr-policy/>.

Further, as per the requirement of Section 135 of the Companies Act, 2013, the companies specified therein are required to spend at least two percent of the average net profits made during the three immediately preceding financial years towards CSR activities. Your Company has spent the stipulated amount required to be spent during the year under review.

34. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

Your Company has laid down a Whistle Blower Policy covering Vigil Mechanism with protective clauses for the Whistle Blowers to report genuine concerns or grievances. The Whistle Blower Policy has been hosted on the website of the Company at <http://www.ovobelfoods.com/general-information/policies/whistle-blower-policy/>.

35. RISK MANAGEMENT:

The elements of risk threatening the Company's existence are very minimal, however the Company has identified and prepared a policy and the same is followed by the Company and a copy of the same is hosted on the website of the Company at <https://www.ovobelfoods.com/general-information/policies/>

36. DISCLOSURE UNDER SECTION 134 (3) (I) OF THE COMPANIES ACT,2013:

Except as disclosed elsewhere in this report, if there have been any material changes and commitments which can affect the financial position of the Company occurred between the end of the financial year of the Company and the date of this report, the same shall be reported here: Nil.

37. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO INTERMS OF SECTION 134(3)(M) OF THE COMPANIES ACT,2013 AND RULE 8 OF COMPANIES (ACCOUNTS) RULES,2014:

a. **Conservation of Energy:** With the increase in demand for the non-renewable energy resources such as water and electricity, the Company has been using Wood Fired Boilers in the factory which run on a fuel known as Briquettes (Agrowaste) instead of electricity. The Briquettes fuel is made of saw dust, groundnut shell, coffee husk and tamarind shell. The consumption of the briquettes per hour is 375kgs/hr. The Capacity of the boiler is 20,00,000 kals/hr. and the Company has invested Rs.45,00,000/-(inclusive of system oil) towards it. Purchase of spare thermic fluid heater Radiation & Convection coil of Rs.16,25,000/-

b. **Technology Absorption:** The Company continues to keep abreast the developments and seeks to implement the latest technology in the factory for the forthcoming years. However, there was no technology imported by the Company during the last three years.

c. Foreign Exchange Outflow /Inflow:

Particulars	31.03.2023 (Rupees in lakhs)	31.03.2022 (Rupees in lakhs)
Earnings in Foreign Currency	19,859	11,855.54
Expenditure in Foreign Currency	94.2	289.94

38. INDUSTRIAL RELATIONS:

During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

39. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

No significant or material orders have been passed by any regulators or Courts or Tribunals impacting the going concern of the Company and its future operations.

40. POLICIES ON APPOINTMENT OF DIRECTORS, REMUNERATION AND OTHER MATTERS:

Disclosures under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014: Your Board report that:

- The ratio (Approx.) of the remuneration of each director to the median remuneration of the employees of the company for the financial year 0/9:01
- The percentage increase in remuneration during the financial year of each:
 - Executive Director (including Chief Executive Officer); and
 - Chief Financial Officer and Company Secretary (or Manager, if any,)

There was increase or decrease in the remuneration of any Executive Director, Chief Financial Officer or Company Secretary of the Company. Following are the details of the same:

Name	Designation	Remuneration(InLakhs)		Percentage increase in the remuneration
		FY2022-23	FY2021-22	
Mysore Satish Sharad	Managing Director	60.00	47.99	0
Sunil Varghese P	Chief Financial Officer	15.75	13.30	18
Prakriti Sarvouy*	Company Secretary	1.84	1.84	0

- The percentage increase in the median remuneration of employees in the financial year is 8% (Approx.).
- The number of permanent employees on the rolls of company: 108 (As on 31.03.2023).
- Average percentage increases already made in the salaries of employee's other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:
The average increase in salaries of employees other than managerial personnel in 2022-23 was 8% (approx.)
- The key parameters for any variable component of remuneration availed by the directors: There is no variable component of remuneration availed by the directors.
- Affirmation that the remuneration is as per the remuneration policy of the

Company: Company affirms that the remuneration is as per the Remuneration policy of the Company

- Names of the top ten employees in terms of remuneration drawn:

Name	Remuneration Received (Rs.)	Nature of employment whether contractual or otherwise	Qualification & Experience	Date of Commencement of employment	Age	Percentage of equity shares held by the Employee as a remuneration	Whether any employee is a relative of any director/ manager of the Company and if so, name of such director/ Manager
Mysore Satish Sharad	60,00,000	Permanent	BBA	13-06-2021	29	Nil	Nil
Ashwani Kumar Arora	27,63,766	Permanent	B.Tech	03-10-2016	40	Nil	Nil
Mohan. T. Gangoor	17,44,967	Permanent	B.E	01-08-1997	55	Nil	Nil
Sunil Varghese P	15,74,847	Permanent	B.Com	16-03-2015	47	Nil	Nil
Muniyappa U	10,73,988	Permanent	Diploma	19-09-1996	52	Nil	Nil
Prasanna Kumar V	10,26,105	Permanent	B.Com	23-01-1996	52	Nil	Nil
Vijay	10,21,956	Permanent	ITI	23-01-1996	48	Nil	Nil

Kumar KM		ent					
Prakasa m R	10,01,198	Perman ent	MSC & BSC	19-07-2017	45	Nil	Nil
Muniya ppa R	9,72,274	Perman ent	ITI	14-11-1996	52	Nil	Nil
Nagesh M H	9,41,203	Perman ent	Diploma	16-06-2011	53	Nil	Nil

- The Name of every employee, who:
- o if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than one crore and two lakh rupees: Nil.
 - o if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate ,was not less than eight lakhs and fifty thousand rupees per month: Nil.
 - o If employed through out the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company: Nil.

41. DISCLOSURE UNDER SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION ANDREDERESSAL) ACT, 2013:

The company has in place a Policy for prevention of Sexual Harassment at the Workplace in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 and also has a policy and framework for employees to report sexual harassment cases at workplace and its process ensures complete anonymity and confidentiality of information. Adequate workshops and awareness programs against sexual harassment are conducted across the organization. The Company has internal committee in compliance with sexual harassment of women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

The following is the summary of sexual harassment complaints received and disposed of during the year under review:

- Number of complaints pending at the beginning of the year: Nil
- Number of complaints received during the year: Nil
- Number of complaints disposed during the year :Nil
- Number of cases pending at the end of the year :Nil

42. FRAUD REPORTING:

There have been no frauds reported by the Statutory Auditors of the Company to the Audit Committee or the Board of Directors under sub-section (12) of section 143 of the Companies Act, 2013 during the financial year.

43. CHANGE OF REGISTRAR & SHARE TRANSFER AGENTS:

During the Financial Year 2022-23, there was no change in Registrar and Share transfer agents.

44. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to provisions of the Companies Act, 2013, the declared dividends, which are unpaid or unclaimed for a period of seven years, shall be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government.

The Company is currently not required to transfer any unpaid or unclaimed amount to IEPF.

45. POLICY ON PREVENTION OF INSIDER TRADING

Your Company has adopted a Code for Prevention of Insider Trading with a view to regulate trading in equity shares of the Company by the Directors and designated employees of the Company. The said Code of Conduct is available on the website of the Company at "www.ovobelfoods.com. The Code requires preclearance for dealing in Company's shares and prohibits the purchase or sale of shares in your company by the Directors and designated employees, while they are in possession of unpublished price sensitive information and also during the period when the Trading Window remains closed.

46. OTHERS DISCLOSURES

No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.

The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

47. ACKNOWLEDGEMENTS AND APPRECIATIONS:

The Board appreciates the commitment and dedication of its employees across all the levels who have contributed to the growth and sustained success of the Company. We would like to thank all our clients, vendors, bankers and other business associates for their continued support and encouragement during the year.

For and on behalf of the Board of Ovobel Foods Limited

Sd/

Mysore Satish Sharad
Managing Director
DIN: 08987445

Place: Bangalore
Date: 06.06.2023

Sd/

Syed Fahad
Director
DIN: 01865406

Place: Bangalore
Date: 06.06.2023

Sd/

Sunil Varghese P
Chief Financial Officer
PAN: AFDPV2731D

Place: Bangalore
Date: 06.06.2023

Sd/

Prakriti Sarvouy
Company Secretary & Compliance Officer
Membership No.: A21962

Place: Bangalore
Date: 06.06.2023

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm's length basis: Nil

- a) Name(s) of the related party and nature of relationship:
- b) Nature of contracts/arrangements/transactions:
- c) Duration of the contracts/arrangements/transactions:
- d) Salient terms of the contracts or arrangements or transactions including the value, if any:
- e) Justification for entering into such contracts or arrangements or transactions:
- f) Date(s) of approval by the Board:
- g) Amount paid as advances, if any:
- h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188:

2. Details of contracts or arrangements or transactions at arm's length basis: As disclosed in table A

- a) Name(s) of the related party and nature of relationship:
- b) Nature of contracts/arrangements/transactions:
- c) Duration of the contracts/arrangements/transactions:
- d) Salient terms of the contracts or arrangements or transactions including the value, if any:
- e) Justification for entering into such contracts or arrangements or transactions:
- f) Date(s) of approval by the Board:
- g) Amount paid as advances, if any:
- h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188:

Mysore Satish Sharad
Managing Director
DIN: 08987445

Place: Bangalore
Date: 06.06.2023

Syed Fahad
Director
DIN: 01865406

Place: Bangalore
Date: 06.06.2023

Sunil Varghese P
Chief Financial Officer
PAN: AFDPV2731D

Place: Bangalore
Date: 06.06.2023

Prakriti Sarvouy
Company Secretary & Compliance Officer
Membership No.: A21962

Place: Bangalore
Date: 06.06.2023

TABLE A

Sl.No	Name(s) of the related party	nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board/ Shareholder	Amount in Lakhs
1	Ashraya Farm	Related party under 2 (76) of the Act	Purchase of eggs and freight charges	Contractual	NA	24 September 2021 by shareholders	2,729.82
2	Ashraya Farm	Related party under 2 (76) of the Act	Sale of crushed egg shell powder	Contractual	NA	NA	10.32
3	Sunil Varghese Paulose	Chief Financial Officer	Salaries and Emoluments	NA	NA	14 June 2021	15.75
			Loans and advances	NA	NA	NA	Nil
4	Mysore Satish Sharad	Managing Director	Salaries and Emoluments	NA	NA	14 June 2021 / 24 September 2021	60.00
5	Prakriti Sarvouy	Company Secretary	Salaries and Emoluments	NA	NA	13 January 2021	1.84
6	Pooja Jain	Independent Director	Sitting fee	NA	NA	14 June 2021	1.00
7	Priyanka Rajora	Independent Director	Sitting fee	NA	NA	14 June 2021	1.00

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

a. Industry structure and developments:

The company operates in the domain of egg powder and frozen egg manufacture and exports.

At present, there are only few other companies that are active in this domain in India. Your Company has identified the new markets and increased its customer base and product range.

Your company has built a reputation over the years amongst its customer for quality products. The company's sustainability has been centered around enlarging its presence within profitable and attractive retail niches, capitalizing on robust brand building and manufacturing foundation.

The new management is making efforts to capitalize on the existing brand name and taking several other steps to register steady growth.

b. Opportunities:

Due to several corrective measures taken by the management, company's products are in high demand both in domestic and international markets. This unique advantage is likely to result in bringing in more and more opportunities of added commercial advantage during the days ahead. The COVID 19 pandemic had re-imposed people's believe in healthy living and healthy eating, and the Company saw it as an opportune time to increase its customer base in both Indian and international markets. Further with the improvement in the pandemic situation and resumption of international trade, the Company is also looking forward to enter new markets as well.

c. Threats:

While international competition could pose a threat to company's future operations, your Directors' are confident of effectively countering the same by utilizing its past experience and skills. The slowdown of Indian as well as world economy resulting to decreased levels of trade, outbreak of war and the failing economies, surge in inflation and subsequent rise in interest rates had been testing times for the industry. Though the present situation is stable, however, if the situation deteriorates further the same poses further threat to the Company's business.

d. Segment wise or product wise performance:

The company was operating in one predominant segment i.e. manufacture of standard egg powder and frozen egg. At present the company is involved in making specialized products in this segment.

e. Outlook:

Despite the rise in raw material prices, your directors have prioritized in improving its quality measures and have been successful in keeping its clients happy on the product quality front. The management looks to the future with optimism.

f. Risks and concerns:

- The ongoing war, gap in demand and supply of essential food items and their effect on international trade is a concern for the industry.
- Due to the war, the poultry feed cost has gone up drastically and thereby the raw material prices also increased
- Due to the constant rise in raw material prices in the country in the recent past the cost of production is on an increasing trend.
- Rising manpower costs is also a major concern the industry is facing.
- Slowdown in international trade is a concern.
- Rise in interest rates is again a concern for the industry.
- The company is successful in retaining its clients and convincing them to get better realization by catering with highquality products.

g. Internal control systems and their adequacy:

The company has got adequate internal control systems in place for the current level of operations of the company and yourmanagement would continue to strengthen this.

h. Discussion on financial performance with respect to operational performance:

Your Company prepares its financial statements in compliance with the requirements of the Companies Act, 2013 and recognized accounting policies and practices, Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act. These financial statements were prepared on a historical cost basis. Your management accepts the responsibility for the fair presentation of the additional information presented in the notes to the financial statements for the purpose of additional analysis of the financial statements. The financial statements have been prepared as per the requirements of Schedule III (Division II) notified by the Ministry of Corporate Affairs and the operating cycle has been considered as one year. This also enables in reasonably presenting the Company's state of affairs and profits and cash flows for the year ended March 31st, 2023.

i. Material developments in Human Resources/ Industrial Relations front, including number of people employed:

The company has experienced, loyal professionals working in production, sales and administration. The company has got very good industrial relations and the employees and the management has very cordial relationship between them. Your Company prides in the commitment, competence and dedication of employees. The Company's structured induction at all levels and management development programs have helped enhance competence.

j. Details of significant changes in key financial ratios

- i. **Debt-Equity Ratio** – the debt equity ratio as on 31 March 2022 was 1.35 whereas as on 31st March 2023 it was 0.49, a considerable variance of -63.83% year on year.

Explanation: During the year the company has not availed any new loans and due to repayment of loans the debt equity ratio has come down.

- ii. **Debt Service Coverage Ratio** - the Debt Service Coverage Ratio as on 31 March 2022 was 0.01 whereas as on 31st March 2023 it was 0.18, a considerable variance of 2114.05% year on year.

Explanation: Operation levels have increased for the year 2022-23 as compared to the previous year. Though the interest cost for the year 2022-23 has increased due to increase in bill discounting by 45 Lakhs due to change in SOFR rate from 2.5% to 5.05% but due to significant higher profits in current year the debt service coverage ratio is better than previous year.

- iii. **Return on Equity Ratio** - the Return on Equity Ratio as on 31 March 2022 was 0.001% whereas as on 31st March 2023 it was 0.98 %, a considerable variance of 118538.64% year on year.

Explanation: Operation levels have increased for the year 2022-23 as compared to the previous year. The company has significant margins on sales compared to previous year.

- iv. **Return on Capital employed** - the Return on Capital Employed Ratio as on 31 March 2022 was 1.61% whereas as on 31st March 2023 it was 61.50%, a considerable variance of 3714.26% year on year.

Explanation: Operation levels have increased for the year 2022-23 as compared to the previous year.

- v. **Net Profit %** - the net profit percentage as on 31 March 2022 was 0.01% whereas as on 31st March 2023 it was 17.54%, a considerable variance of 129092.53% year on year.

Explanation: The profits for the current year have increased to due significant increase in sales price as compared to last year with cost remaining more or less at the same level.

- vi. **Return on Investment** - the Return on Investment Ratio as on 31 March 2022 was - 7.33%% whereas as on 31st March 2023 it was -0.02%, a considerable variance of - 99.67% year on year.

Explanation: Variance due to the fair value fluctuation of the investment and increase in investment due to new investment in debentures of another body corporate amounting to Rs.9.00 Cr.

- vii. **Current Ratio** – The Current ratio as on 31 March 2022 was 1.60%% whereas as on 31st March 2023 it was 2.24%, a considerable variance of 39.75% year on year.

Explanation: The sales have increased significantly due to which receivables and bank balances have increased. There is an increase by Rs.628.86 Lakhs and Rs.3288 Lakhs in trade receivables and cash and cash equivalents respectively.

- viii. **Trade Receivables turnover ratio** – The Trade Receivables turnover ratio as on 31 March 2022 was 11.92%% whereas as on 31st March 2023 it was 15.04%, a considerable variance of 26.18% year on year.

Explanation: Trade Receivables turnover ratio has increased due to increase in sales during FY 22-23 and the collection have been better during the year.

- ix. **Trade payables turnover ratio** - The Trade payables turnover ratio as on 31 March 2022 was 39.40%% whereas as on 31st March 2023 it was 57.71%, a considerable variance of 46.45% year on year.

Explanation: Payable turnover ratio has increased due to increase in production and cost of production

and payment terms being met as compared to previous year.

- x. **Net Capital turnover ratio** - The net capital turnover ratio as on 31 March 2022 was 6.50% whereas as on 31st March 2023 it was 4.59%, a considerable variance of - 29.32% year on year.

Explanation: Operation levels have increased for the year 2022-23 as compared to the previous year and working capital ratio has increased for the year as compared to previous year.

k. Cautionary Statement:

Certain statements made in the management discussion and analysis report may constitute 'forward-looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations, projections and so on, whether express or implied. Several factors could make a significant difference to the Company's operations. These include economic conditions affecting demand and supply, government regulations and taxation, natural calamities and so on over which the Company does not have any direct control.

REPORT ON CORPORATE GOVERNANCE

We, as a Corporate, understand that the term 'Corporate Governance' is not just the system by which companies are directed and controlled nor just the method of protecting the interests of various stakeholders in a company. It's about abiding by the principles of fairness and transparency in all its conduct which would in turn boost the brand and reputation of the Company. Accordingly, we always seek to ensure that our performance is driven by integrity and transparency.

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

The Company's Philosophy on Corporate Governance envisages the attainment of highest level of transparency, integrity, fairness, accountability and equity in all facets of its operations and in all its interactions with its stakeholders including but not limited to the shareholders, employees, lenders and the Government.

The Company pursues growth by adopting best corporate practices and believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder value over a sustained period of time.

2. GOVERNANCE STRUCTURE:

Board of Directors: The Board is entrusted with an ultimate responsibility of the management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosures.

Committees of the Board: The Board has constituted the following Committees: Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders' Relationship Committee, Independent Director Committee. Each of the said Committee has been mandated to operate within a given framework.

3. BOARD OF DIRECTORS:

The composition of the Board of Directors of the Company is presently governed by the provisions of Companies Act, 2013, the Articles of Association of the Company and the SEBI (Listing Obligations and Disclosure Requirements) (LODR) Regulations, 2015. The Company has a judicious mix of Executive, Non-Executive and Independent Directors on its Board. As on 31 March 2023, the Board comprised of five members, out of which, 2 (Two) Members are Independent Directors including Woman Director, 2 (Two) Members are Non Executive Directors and 1 (One) Executive Director designated as Managing Director. The Chairman of the Board is an Independent Director.

- a. Composition of the Board: The composition of Board of Directors as on the year ended 31st March, 2023 including details of their directorships, chairmanships/ memberships of the committees are given below:

Name of Director	Category of Director	DIN	No. of Directorship held in other Companies*		Number of committee position held in Public Limited Companies***	
			Public Limited Companies	Others**	Committee Chairmanship	Committee Membership
Mr. Syed Fahad	Director (Promoter, Non-Executive Director)	01865406	0	18	0	0
Mr. Channappa Bhavihal Gurusiddappa	Director (Promoter, Non-Executive Director)	07278848	0	0	0	0
Ms. Priyanka Rajora#	Director (Independent, Non-Executive Director)	08985737	0	0	0	0
Ms. Pooja Jain##	Director (Independent, Non-Executive Director)	08985766	0	0	0	0
Mr. Mysore Satish Sharad	Managing Director (Promoter)	08987445	0	0	0	0

*It does not include directorship in foreign companies, companies registered under Section 8 of the Companies Act, 2013 and Private limited companies and includes alternate directorships in public limited companies (excluding Ovobel Foods Limited).

**Directorship of any private limited companies (including alternate directorship), foreign companies and companies under section 8 of the Companies Act, 2013 have been considered.

***Membership(s)/Chairmanship(s) of only the Audit Committee and Stakeholders' Relationship Committee in all Public Limited Companies (excluding Ovobel Foods Limited) have been considered.

Note: None of the aforementioned Directors of the Company hold any Directorship in any other Listed Company as on the date of this report. Thus details of directorship in other listed companies are not furnished.

Resigned from the Board of Directors of the Company with effect from 06 April 2023 due to professional commitments and pre occupations and there are no other material reasons other than

the one mentioned herewith.

Resigned from the Board of Directors of the Company with effect from 30 May 2023 due to professional commitments and pre occupations and there are no other material reasons other than the one mentioned herewith.

Mrs. Rakhi Bajoria (DIN: 07161473) and Mrs. Geetika Khandelwal (DIN: 10061631), were appointed as Additional Directors, Independent (Woman), of the Company by the Board of Directors with effect from 4th April 2023 based on the recommendation of Nomination and Remuneration Committee.

b. Remuneration of Executive Directors and other Key Managerial Personnel

Key Managerial Personnel as per Section 203 of the Act		
Sl. No	Name	Designation
1	Mr. Mysore Satish Sharad	Managing Director
2	Mr. Sunil Varghese Paulose	Chief Financial Officer
3	Ms. Prakriti Sarvouy	Company Secretary & Compliance Officer

c. Details of Remuneration paid to Non-Executive Directors: Non-Executive Directors were not paid any remuneration during the period under review.

Note:

- No stock options have been granted during the year to any of the Directors.
- During the financial year 2022-23, the Non-Executive Directors did not have any other pecuniary relationship or transactions with the Company apart from the above.
- The criteria of making payment to the Non-Executive Directors are as and when decided by the Board of Directors/Nomination and Remuneration Committee.
- For the financial year 2022-23, the Company paid sitting fees to the Independent Directors @Rs.25,000 per Board meeting.

d. Number of meetings held and attended by the Directors during the financial year: During the year on the following dates meetings of Board of directors were held:

4 May 2022	30 May 2022
14 August 2022	30 August 2022
14 November 2022	14 February 2023

NAMES OF THE DIRECTORS	NUMBER OF MEETINGS ENTITLED TO ATTEND	NUMBER OF MEETINGS ATTENDED	ATTENDED THE LAST AGM
Mr. Syed Fahad	6	6	Yes
Mr. Channappa Bhavihal Gurusiddappa	6	6	Yes
Ms. Priyanka Rajora	6	6	Yes

Ms. Pooja Jain	6	6	Yes
Mr. Mysore Satish Sharad	6	6	Yes

The Company Secretary was present at all meetings of the Board of Directors and at the last Annual General Meeting.

During FY 2022-2023, information as mentioned in Part A of Schedule II of the Listing Regulations, has been placed before the Board for its consideration

Shareholding of non-executive directors in the Company as on 31st March 2023 is as follows:

NAME OF DIRECTOR	NO. OF EQUITY SHARES
Mr. Syed Fahad	20,24,000
Mr. Channappa Bhavihal Gurusiddappa*	Nil

*Transferred his entire holdings of 10,12,000 equity shares of Rs.10 each to his immediate relative on 27 March 2023 in an off market transaction.

All other Non-Executive Directors excluding the above do not hold any shares or convertible instruments of the Company as on 31st March, 2023.

e. Familiarisation programmes imparted to independent directors:

The familiarisation programme for Independent Directors, which also extends to other Non-Executive Directors, aims to familiarize them with the Company, business model of manufacturers and exporters of Whole Egg / Yolk / Albumen Powders or Frozen, and also their roles, rights, responsibilities in the Company. The programme objectives are achieved through presentations and briefings at meetings, plant visits and interactions with key management personnel and senior management team. Presentations are made at meetings of the Board of Directors and Committee meetings and interactions take place in connection with the business transacted during which time, directors get an opportunity to gain an understanding of the Company's business operations, industry dynamics and evolving business trends, markets situation, product offerings, staffing, risk management framework, internal control processes, financial performance and related matters. The Board members are also briefed about details of relevant regulatory requirements and changes thereto whenever relevant. The web link where details of familiarization program is available is <https://www.ovobelfoods.com/wp-content/uploads/2016/11/Familiarisation-Programme-for-Independent-Director.pdf>

f. Fulfillment of the independence criteria by the independent directors:

The Board of Directors, based on the declarations received from the Independent Directors, confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Companies Act, 2013 and that they are independent of the management. In terms of Regulation 25(8) of SEBI Listing

Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

g. Independent director databank registration

The IDs have in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs.

h. Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Board Evaluation Framework has been approved by the Nomination and Remuneration Committee (NRC) and the Board. The Board carried out an annual performance evaluation of its own performance, the Independent Directors individually as well as of the Board. The performance evaluation of the Executive and Non-Executive Directors, including Chairman and Board of Directors as whole was carried out by the Independent Directors. The purpose of the Board evaluation is to achieve persistent and consistent improvement in the governance of the Company at the Board level with the participation of all concerned in an environment of harmony. The Board acknowledges its intention to establish and follow best practices in Board Governance in order to fulfill its fiduciary obligation to the Company. The Board believes the evaluation will lead to a closer working relationship among the Board members, greater efficiency in the use of the Board's time and increased effectiveness of the Board as a governing body. The Directors are satisfied with the evaluation process.

i. Core Skills/ Expertise/ Competencies identified by the Board as required in the context of Companies Business

The Board of Directors of your Company have evaluated and identified the following as the core skills/expertise/competencies in the context of Company's business, as may be required by the Members of the Board for effectively contributing to the Board and Committee proceedings:

Sl. No.	Core Skills/ Expertise/ Competencies	Whether such key skills, expertise and competence and attributes are available with the Company's Board
1	Understanding of the Industry, Company's Business and its Operation	Yes
2	Finance, Accounts, Legal, Human Resource	Yes

3	Corporate Governance and Ethics	Yes
4	Strategy and Planning	Yes
5	Technology and Innovation	Yes

Hence, core skills, expertise and competencies identified to function effectively amongst others are Understanding of Company's Business and its Operation, Finance & Accounts, human resource, Corporate Governance and Ethics, Strategy and Planning and Technology and Innovation. All of those are available with each of the Board member in as much as they are from diverse fields and have said competencies individually as well as collectively. Table below give summary of said competencies each of the Directors of the Company have:

Sl. No.	Core Skills/ Expertise/ Competencies	Mr. Syed Fahad	Mr. C B Gurusiddappa	Ms. Priyanka Rajora	Ms. Pooja Jain	Mr. Mysore Satish Sharad
1	Understanding of the Industry, Company's Business and its Operation	Yes	Yes	Yes	Yes	Yes
2	Finance, Accounts, Legal, Human Resource	Yes	Yes	Yes	Yes	Yes
3	Corporate Governance and Ethics	Yes	Yes	Yes	Yes	Yes
4	Strategy and Planning	Yes	Yes	Yes	Yes	Yes
5	Technology and Innovation	Yes	Yes	Yes	Yes	Yes

4. **AUDIT COMMITTEE:**

- a. **Composition, name of members and Chairperson:** The Audit Committee as on 31st March 2023 was comprised of:

Name	Category	Designation
Ms. Pooja Jain##	Non-Executive & Independent Director	Chairperson
Ms. Priyanka Rajora#	Non-Executive & Independent Director	Member
Mr.Syed Fahad	Non-Executive Director	Member

Note: The Audit Committee was re-constituted on 10th February 2023. Ms. Pooja Jain was appointed as Chairperson of the Committee with effect from 10 February 2023, earlier Ms.Priyanka Rajora was Chairperson of the Committee.

Resigned from the Board of Directors of the Company with effect from 06 April 2023 due to

professional commitments and pre occupations and there are no other material reasons other than the one mentioned herewith.

##Resigned from the Board of Directors of the Company with effect from 30 May 2023 due to professional commitments and pre occupations and there are no other material reasons other than the one mentioned herewith.

All members of the Audit Committee are financially literate and possess requisite accounting or financial management expertise. The Company Secretary acts as Secretary to the Committee.

- b. **Terms of reference:** The role and terms of Audit Committee covers the area of Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 177 of the Companies Act, 2013 besides other terms as may be referred to by the Board of Directors of the Company. The minutes of the Audit Committee are taken note by the Board of Directors.
- c. **Meetings and attendance during the year:** During the year on the following dates meetings of Audit Committee were held: 04.05.2022, 30.05.2022, 14.08.2022, 30.08.2022, 14.11.2022 and 14.02.2023.

Names of the members	Number of meetings entitled to attend	Number of meetings attended
Ms. Priyanka Rajora	6	6
Ms. Pooja Jain	6	6
Mr.Syed Fahad	6	6

Ms.Priyanka Rajora and Ms.Pooja Jain, were present at the Annual General Meeting of the Company held on 28th September 2022.

With effect from 04 April 2023, the Audit Committee comprises of the following Members:

S.NO	NAME	CATEGORY	ROLE
1	RAKHI BAJORIA	NON-EXECUTIVE INDEPENDENT DIRECTOR	CHAIRPERSON
2	GEETIKA KHANDELWAL	NON-EXECUTIVE INDEPENDENT DIRECTOR	MEMBER
3	SYED FAHAD	NON-EXECUTIVE DIRECTOR	MEMBER

5. **NOMINATION AND REMUNERATION COMMITTEE:**

- a. **Composition, name of members and Chairperson :** The Nomination and Remuneration Committee as on 31 March 2023 was comprised of:

NAME	Category	Designation
Ms. Priyanka Rajora#	Non-Executive & Independent Director	Chairperson*

Ms. Pooja Jain##	Non-Executive & Independent Director	Member
Mr.Syed Fahad	Non-Executive Director	Member

Note: The Nomination & Remuneration Committee was re-constituted on 10th February 2023. Ms.Priyanka Rajora was appointed as Chairperson of the Committee with effect from 10 February 2023, earlier Ms. Pooja Jain was Chairperson of the Committee.

Resigned from the Board of Directors of the Company with effect from 06 April 2023 due to professional commitments and pre occupations and there are no other material reasons other than the one mentioned herewith.

##Resigned from the Board of Directors of the Company with effect from 30 May 2023 due to professional commitments and pre occupations and there are no other material reasons other than the one mentioned herewith.

- b. **Terms of reference:** The role and terms of Nomination and Remuneration Committee covers the area of Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 178 of the Companies Act, 2013 besides other terms as may be referred to by the Board of Directors of the Company. The minutes of the Nomination and Remuneration Committee are taken note by the Board of Directors.
- c. **Meetings and attendance during the year:** During the year on the following dates meetings of Nomination & Remuneration Committee was held: 14.08.2022 and 14.02.2023.
- d.

Names of the members	Number of meetings entitled to attend	Number of meetings attended
Ms. Pooja Jain	2	2
Ms. Priyanka Rajora	2	2
Mr.Syed Fahad	2	2

With effect from 04 April 2023, the Nomination and Remuneration Committee comprises of the following Members:

S.NO	NAME	CATEGORY	ROLE
1	RAKHI BAJORIA	NON-EXECUTIVE INDEPENDENT DIRECTOR	CHAIRPERSON
2	GEETIKA KHANDELWAL	NON-EXECUTIVE INDEPENDENT DIRECTOR	MEMBER
3	SYED FAHAD	NON-EXECUTIVE DIRECTOR	MEMBER

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

a. Details of Investor Complaints

- I. Number of shareholders' complaints pending at the beginning of the period: Nil
- II. Number of shareholders' complaints received during the year-2
- III. Number not solved to the satisfaction of shareholders-2
- IV. Number of pending complaints-Nil

b. Terms of reference

The role and terms of Stakeholders Relationship Committee covers the area of Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 178 of the Companies Act, 2013 besides other terms as may be referred to by the Board of Directors of the Company. The minutes of the Stakeholders Relationship Committee are taken note by the Board of Directors.

c. Composition, name of members and Chairperson

The Stakeholder's Relationship Committee as on 31 March 2023 was comprised of:

Name	Category	Designation
Ms. Pooja Jain##	Non-Executive & Independent Director	Chairperson
Ms. Priyanka Rajora#	Non-Executive & Independent Director	Member
Mr. Channappa Bhaviha Gurusiddappa	Non-Executive Director	Member

Resigned from the Board of Directors of the Company with effect from 06 April 2023 due to professional commitments and pre occupations and there are no other material reasons other than the one mentioned herewith.

##Resigned from the Board of Directors of the Company with effect from 30 May 2023 due to professional commitments and pre occupations and there are no other material reasons other than the one mentioned herewith.

Ms. Prakriti Sarvouy, Company Secretary, is the Compliance Officer of the Company w.e.f. 13 January 2021.

d. Meetings and attendance during the year

During the year, the following are the dates of meetings of Stakeholder Relationship Committee: 14.08.2022, 14.11.2022 and 14.02.2023.

NAMES OF THE MEMBERS	NUMBER OF MEETINGS HELD	NUMBER OF MEETINGS ATTENDED
Ms. Pooja Jain##	2	2
Ms. Priyanka Rajora#	2	2

Mr. Channappa Bhavihal Gurusiddappa	2	2
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Resigned from the Board of Directors of the Company with effect from 06 April 2023 due to professional commitments and pre occupations and there are no other material reasons other than the one mentioned herewith.

##Resigned from the Board of Directors of the Company with effect from 30 May 2023 due to professional commitments and pre occupations and there are no other material reasons other than the one mentioned herewith.

With effect from 04 April 2023, the Stakeholders Relationship Committee comprises of the following Members:

S.N O	NAME	CATEGORY	ROLE
1	GEETIKA KHANDLWAL	NON-EXECUTIVE INDEPENDENT DIRECTOR	CHAIRPERSON
2	RAKHI BAJORIA	NON-EXECUTIVE INDEPENDENT DIRECTOR	MEMBER
3	CHANNAPPA BHAVIHAL GURUSIDDAPPA	NON-EXECUTIVE DIRECTOR	MEMBER

7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

a. Terms of reference

The role and terms of CSR Committee covers the area of section 135 of the Companies Act, 2013 besides other terms as may be referred to by the Board of Directors of the Company. The minutes of the CSR Committee are taken note by the Board of Directors.

b. Composition, name of members and Chairperson

The Corporate Social Responsibility Committee as on 31 March 2023 was comprised of:

Name	Category	Designation
Mr. Mysore Satish Sharad	Managing Director (Promoter, Executive)	Chairman
Ms. Pooja Jain##	Non-Executive & Independent Director	Member
Mr. Channappa Bhavihal Gurusiddappa	Director (Promoter, Non-Executive Director)	Member
Syed Fahad	Director (Promoter, Non-Executive Director)	Member

##Resigned from the Board of Directors of the Company with effect from 30 May 2023 due to professional commitments and pre occupations and there are no other material reasons other than the one mentioned herewith.

c. Meetings and attendance during the year:

During the year meetings of Corporate Social Responsibility Committee were held on

14.08.2022 and 14.02.2023.

NAMES OF THE MEMBERS	NUMBER OF MEETINGS HELD	NUMBER OF MEETINGS ATTENDED
Mr. Mysore Satish Sharad	2	2
Ms. Pooja Jain	2	2
Mr. Channappa Bhavihal Gurusiddappa	2	2
Syed Fahad	2	2

With effect from 04 April 2023, the Corporate Social Responsibility Committee comprises of the following Members:

S.N O	NAME	CATEGORY	ROLE
1	MYSORE SATISH SHARAD	MANAGING DIRECTOR	CHAIRPERSON
2	GEETIKA KHANDELWAL	NON EXECUTIVE INDEPENDENT DIRECTOR	MEMBER
3	CHANNAPPA BHAVIHAL GURUSIDDAPPA	NON EXECUTIVE DIRECTOR	MEMBER
4	SYED FAHAD	NON EXECUTIVE DIRECTOR	MEMBER

8. **COMMITTEE OF INDEPENDENT DIRECTORS:**

a. **Terms of reference**

The Committee of Independent Directors was formed under Regulation 26(6) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 in January 2021 when the Company was undergoing the open offer procedure under the said regulations.

b. **Composition, name of members and Chairperson**

The Committee OF Independent Directors as on 31 March 2023 was comprised of:

Name	Category	Designation
Ms. Pooja Jain##	Non-Executive &Independent Director	Chairperson
Ms.Priyanka Rajora#	Non-Executive &Independent Director	Member

#Resigned from the Board of Directors of the Company with effect from 06 April 2023 due to professional commitments and pre occupations and there are no other material reasons other than the one mentioned herewith.

##Resigned from the Board of Directors of the Company with effect from 30 May 2023 due to professional commitments and pre occupations and there are no other material reasons other than the one mentioned herewith.

c. Meetings and attendance during the year:

During the year no meetings of the Committee was required to be held. Since the open offer of the Company was complete in all respects, and the Committee being formed for the specific purpose which was complete, the Board of Directors at their meeting held on 04 April 2023, dissolved the Committee of Independent Directors.

9. INDEPENDENT DIRECTOR'S MEETING:

a. Name of independent directors.

1. Ms. Pooja Jain##
2. Ms. Priyanka Rajora#

Resigned from the Board of Directors of the Company with effect from 06 April 2023 due to professional commitments and pre occupations and there are no other material reasons other than the one mentioned herewith.

##Resigned from the Board of Directors of the Company with effect from 30 May 2023 due to professional commitments and pre occupations and there are no other material reasons other than the one mentioned herewith.

b. Meetings and attendance during the year

The Independent director's meeting was held on 14 February 2023, during the financial year 2022-23 which was attended by Ms.Priyanka Rajora and Ms.Pooja Jain.

9. ANNUAL GENERAL BODY MEETINGS:

The details of general meetings held in last three years are as follows:

SL. NO.	FINANCIAL YEAR ENDED	DATE AND TIME	VENUE	SPECIAL RESOLUTION PASSED
1	March 31, 2020	26 th November 2020 at 10:30 AM	Held through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM") as per MCA Circular No. 20/2020 dated 05th May 2020	No special resolution
2	March 31, 2021	24 September 2021 at 3.00 PM	Held through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM") as per MCA circulars dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020, January 13, 2021	Appointment of Mr. Mysore Satish Sharad (DIN: 08987445) as Managing Director

3	March 31, 2022	28 September 2022 at 3.00 PM	Held through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM") as per MCA circulars vide 02/2022 dated May 05, 2022 read with General Circulars Nos. 14/2020, 17/2020, 20/2020, 2/2021, 10/2021, 20/2021 and 21/2021 dated April 08, 2020, April 13, 2020, May 05, 2020, January 13, 2021, June 23, 2021, December 08, 2021 and December 14, 2021	Alteration of Article 83 of the Articles of Association of the Company Borrowing Powers of the Company and Creation of Charge / Providing of Security
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10. Postal Ballot

Whether resolutions were put through postal ballot last year: No

11. DISCLOSURES:

- j. Disclosures on materially significant related party transactions that may have potential conflict with the interests of company at large: *Not Applicable*
- ii. Details of non-compliance by the company, penalties, and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets during the last three years:
 - Submission of Corporate Governance Report under Regulation 27 (2) of Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015: There was delay in filing the report by 2 days. The report was required to be filed on 15th July, 2020, but the same was filed on 17th July, 2020. BSE has issued notice to the company for delay filing. The Company had filed condonation of delay with BSE on 18th August, 2020.
 - Submission of Closure of trading window as per Securities And Exchange Board Of India (Prohibition of Insider Trading) Regulations, 2015: The Company was required to file closure of trading window on 1st January, 2021, but the same was filed on 22nd January, 2021
 - The Constitution of the Board of Director of the Company was not in compliance with Regulation 17 of the Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015. The Company has been issued notice by BSE dated 2nd June, 2021. The Board of Directors were unable to meet due to Covid illness and subsequently the Board was reconstituted in compliance with Regulation 17 of the Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015. The Company had filed condonation of delay with BSE on 23rd June, 2021. The Bombay Stock Exchange had vide their e-mail dated 31st December 2021 waived the said

fine levied on the Company.

- Submission of Financial Results under Regulation 33 of Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 for quarter / year ended 31 March 2021. There was delay in filing the result by 1 day. The same was required to be filed on 30th June, 2021, but incorrect document was mailed, the same was suo moto noticed by the Company, and the correct document was filed on 1st July 2021. The BSE levied a fine of Rs.5900 (including GST).
- Intimation of date of Board meeting for the meeting held on June 30, 2021 for Financial results under Regulation 29(2)/29(3) of Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015. There was a delay in furnishing prior intimation about the meeting of the board of directors. The BSE levied a fine of Rs.11,800 (including GST) per instance of non-compliance per item.

- iii. Whistle Blower policy and affirmation that no personnel has been denied access to the Audit Committee: The Company has Whistle Blower Policy and the management affirms that no personnel has been denied access to the Audit Committee.
- iv. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause: The Company has complied with all the mandatory requirements of this Clause. However, it has not adopted any of the non-mandatory requirements.

12. MEANS OF COMMUNICATION:

- i. Quarterly results: Newspapers and Website.
- i. Newspapers wherein results normally published: English newspaper widely circulated in substantial part of India and Regional Language (Kannada).
- ii. Any website, where displayed: www.ovobelfoods.com
- iii. Whether it also displays official news releases–No
- iv. The presentations made to institutional investors or to the analysts–No

9. GENERAL INFORMATION FOR SHAREHOLDER:

AGM: Date, time and venue	Date: Monday, 03 July 2023 Time: 3.00 PM Venue: Through Video Conferencing		
Financial year	2022-23		
Date of Book closure	Tuesday, 27 June 2023 to Monday, 3 rd July 2023 (both days inclusive)		
Dividend Payment Date	NA		
Listing on Stock Exchanges	Listed on Bombay Stock Exchange And Calcutta Stock Exchange		
Stock/Scrip Code	530741		
Market Price Data: High, Low during each month in last financial year	Month	High	Low
	April 2022	27.00	22.00
	May 2022	37.35	28.35
	June 2022	54.95	39.15
	July 2022	63.80	44.40
	August 2022	95.55	56.75
	September 2022	127.90	81.55
	October 2022	110.25	90.90
	November 2022	178.85	86.40
	December 2022	171.95	134.85
	January 2023	301.00	162.05
	February 2023	315.50	189.05
	March 2023	209.70	124.10
Performance in comparison to broad-based indices such as BSE Sensex, CRISIL index etc.	NA		
Registrar and Transfer Agents	Maheshwari Datamatics Private Limited		

Share Transfer System	<p>The Board of Directors have delegated powers to the Registrar & Share Transfer Agent for effecting share transfers, splits, consolidation, sub-division issue of duplicate share certificates, re- materialisation and dematerialisation, etc., as and when such requests are received.</p> <p>The Company obtains from a Company Secretary in Practice a yearly certificate of compliance with the share transfer formalities as required under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and files a copy of the certificate with the Stock Exchanges.</p> <p>Further, reconciliation of the share capital audit report is also submitted on a quarterly basis for reconciliation of the share capital of the Company.</p>
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Distribution of Shareholding

2023					2022			
No. of equity Shares Held	No. of Shareholders	% of shareholders	No. of Shares held	% shareholding	No. of Shareholders	% of shareholders	No. of Shares held	% shareholding
Upto 500	1864	75.22	463761	4.88	1283	67.0324	435900	4.1511
501 To 1000	342	13.80	258327	2.72	352	18.3908	268400	2.5560
1001 To 2000	115	4.64	168031	1.77	111	5.7994	161000	1.5332
2001 To 3000	54	2.18	135825	1.43	55	2.8736	140800	1.3409
3001 To 4000	13	0.52	45676	0.48	12	0.6270	42900	0.4085
4001 To 5000	28	1.13	128390	1.35	34	1.7764	156400	1.4894
5001 To 10000	26	1.05	203125	2.14	27	1.4107	203300	1.9360
Above 10000	36	1.45	8097665	85.23	40	2.0899	9092100	86.5848
Grand Total	2478	100.00	9500800	100.00	1914	100.00	10500800	100.00

Dematerialization of shares and liquidity	85.85% of Equity Shares of the Company are in dematerialised form and 14.15% of Equity Shares of the Company are in physical form as on 31 March 2023.
Outstanding GDRs/ ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity	Not Applicable
Commodity price risk or foreign exchange risk and hedging Activities	Not Applicable
Plant Locations	Plot#30, KIADB Industrial Area, Malur,Kolar district, Karnataka, India-563160
Address for correspondence	Ground Floor, No. 46 Old No.32/1, 3 rd Cross, Aga Abbas Ali Road, Ulsoor, Bangalore- 560042, Karnataka, India
List of all credit ratings obtained by the entity along with any revisions thereto during FY 2021-22 for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilisation of funds, whether in India or abroad	Not applicable
OTHER DISCLOSURES	
a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large:	<p>All transactions entered into with related parties as defined under the Companies Act, 2013 and provisions of the Listing Agreement during the year were on an arm's length price basis and in the ordinary course of business. These have been placed and approved by the Audit Committee and wherever required the approval of the Shareholders of the Company has been obtained.</p> <p>The Board of Directors have approved and adopted a policy on Related Party Transactions and the same has been uploaded on the website of the Company and can be accessed at www.ovobelfoods.com.</p> <p>Further, all the materially significant related party transactions are displayed in Note no. 36 of the Audited Financial Statement for the financial year ended 31 March 2023.</p>

Mysore Satish Sharad
Managing Director
DIN: 08987445

Syed Fahad
Director
DIN: 01865406

Place: Bangalore
Date: 06.06.2023

Place: Bangalore
Date: 06.06.2023

DECLARATION

As provided under Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to confirm that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31st March, 2023.

The said Code of Conduct is hosted on the website of the Company viz. "www.ovobelfoods.com".

Sd/-

Mysore Satish Sharad
Managing Director
DIN: 08987445
Place: Bangalore
Date: 06 June 2023

Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

The Members of Ovobel Foods Limited

1. The Corporate Governance Report prepared by Ovobel Foods Limited (hereinafter the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ("Applicable criteria") for the year ended March 31, 2023, and the said Report will be submitted by the Company to the Stock Exchanges as part of the Annual Report.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.

5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.

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

7. The procedures selected depend on the auditor's judgment, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include:

- i. Read and understood the information prepared by the Company and included in its Corporate Governance Report;
 - ii. Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting period;
 - iii. Obtained and read the Register of Directors as on March 31, 2023 and verified that at least one independent woman director was on the Board of Directors throughout the year;
 - iv. Obtained and read the minutes of the following committee meetings / other meetings held from April 01, 2022 to March 31, 2023:
 - a) Board of Directors;
 - b) Audit Committee;
 - c) Annual General Meeting (AGM);
 - d) Nomination and Remuneration Committee;
 - e) Stakeholders Relationship Committee;
 - v. Obtained necessary declarations from the directors of the Company.
 - vi. Obtained and read the Whistle blower policy adopted by the Company along with the schedule maintained for complaints received during the year.
 - vii. Obtained and read the policy adopted by the Company for Related Party Transactions.
 - viii. Obtained the schedule of Related Party Transactions during the year and balances at the year-end.
 - ix. Obtained and read the minutes of the audit committee meeting wherein such related party transactions have been pre-approved by the audit committee.
 - x. Performed necessary inquiries with the management and also obtained necessary specific representations from management.
8. The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

9. Based on the procedures performed by us, as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended March 31, 2023.

Other matters and Restriction on Use

10. This report 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.

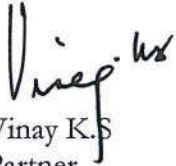


11. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For ASA and Associates LLP

Chartered Accountants

Firm Registration No: 009571N/N500006



Vinay K.S
Partner

Membership No:223085

UDIN: 23223085BGVTEXT5117

Place : Bengaluru

Date: 09th June,2023

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2022-23

1. Brief outline on CSR Policy of the Company

A brief outline of the Company's CSR Policy, including overview of Projects or Programs proposed to be undertaken and a reference to the web-link to the CSR Policy and Projects or Programs:

<http://www.ovobelfoods.com/wp-content/uploads/2016/05/Ovobel-CSR-Policy.pdf>

for your Company, CSR means Corporate Social Responsibility and this means embedding CSR into its business model. The CSR activities and programs are initiated towards the communities and environment in which the Company operates. Its represents the continuing commitment and actions of the Company toward socio-economic development.

The Company understands the need for promoting health, education, growth and development of children from lower socio-economic sections of society, Senior citizen belongs to below poverty line and has taken up various activities for the same.

The CSR Policy of the Company is disclosed on the website of the Company www.ovobelfoods.com.

2. Composition of CSR Committee (as on 31.03.2023):

Sl. No.	Name of Director	Designation	Category
1	Mr.Mysore Satish Sharad	Chairman	Managing Director
2	Ms.Pooja Jain*	Member	Independent Director
3	Mr. Channappa Bhavihal Gurusiddappa	Member	Non-Executive Director
4	Mr.Syed Fahad	Member	Non-Executive Director

*With effect from 04 April 2023 due to restructuring of Committee, Ms.Geetika Khandelwal, Additional Independent Director joined the Committee in place of Ms.Pooja Jain.

The Committee met twice during the Financial Year on 14th August 2022 and 14th February, 2023.

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:

CSR committee composition	http://www.ovobelfoods.com/wp-content/uploads/2016/05/Ovobel-CSR-Policy.pdf
CSR policy	
CSR project (FY 2022-23)	NA

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 (attach the report): 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: Not Applicable.
6. Average net profit of the company as per section 135(5) – Rs. 3,391,820
- 7.

(a)	Two percent of average net profit of the company as per section 135(5)	Rs.67,836
(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
	Total CSR obligation for the financial year (7a + 7b – 7c)	Rs. 67,836

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

Total Amount Spent for the Financial Year (Amount)	Amount Unspent (in Rs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
67,836	NIL	NA	NA	NIL	NA

- (b) Details of CSR amount spent against ongoing projects for the financial year: Not Applicable

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

Sr.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 spent for the project (Amount in Rupees)	Mode of Implementation Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State	District			Name	CSR Registration No.
1	NA	Promoting Education – paid to govt. School for uniform	Yes	Karnataka	Kolar	44,800	Yes	NA	NA
2	NA	Promoting health care, education and Eradicating	Yes	Karnataka	Mysore	23,036	No	NA	NA

		poverty,							
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- (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):
(g) Excess amount for set off, if any: nil

Sr. No	Particulars	Amount in Rupees
1	Two percent of average net profit of the company as per section 135(5)	3,391,820
2	Total amount spent for the Financial Year	67,836
3	Excess amount spent for the financial year [(2)-(1)]	Nil
4	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
5	Amount available for set off in succeeding financial years [(3)-(4)]	Nil

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

Amount in Rs. Lakhs

Sl. No.	Preceding Financial Year.	Amount required to be spent	Amount transferred to Unspent CSR Account under section 135 (6)	Amount spent in the reporting Financial Year	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.Lakh)
					Name of the Fund	Amount (in Rs.Lakh).	Date of transfer.	
1.	As on 31 March 2020	7.18	Nil	3.5	NA	NA	NA	3.68
2.	As on 31 March 2021	11.68	Nil	4.64	NA	NA	NA	7.04
3.	As on 31 March 2022	6.02	Nil	6.02	NA	NA	NA	Nil
	Total	24.88	Nil	14.16	NA	NA	NA	10.54

Note: Entire unspent money of CSR for previous years after adjusting the balances carried forward for excess expenditures has been spent during the FY 2022-23. No unspent amount of CSR is left.

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):----Not Applicable-----

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: (asset-wise details)	
(a)	Date of creation or acquisition of the capital asset(s).	Nil
(b)	Amount of CSR spent for creation or acquisition of capital asset.	Nil

(c)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Nil
(d)	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)	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) – Not applicable

Mysore Satish Sharad
Managing Director Chairman (CSR Committee)
Din: 08987445

Syed Fahad
Director
Din: 01865406

CEO AND CFO CERTIFICATION

[Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Board of Directors
Ovobel Foods Limited

This is to certify that:

A. We have reviewed financial statements and the cash flow statement for the year ended 31st March 2023 and that to the best of our knowledge and belief:

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

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

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

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit committee

(1) that there were no significant changes in internal control over financial reporting during the year;

(2) that there were no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

(3) that there were no instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Sd/-
Mysore Satish Sharad
Managing Director
DIN: 08987445

Sd/-
Sunil Varghese P
Chief Financial Officer

Place: Bangalore
Date: 06 June 2023



CHETANT.T.MANDLIA CHETAN MANDLIA & ASSOCIATES
F.C.S, LLB., M.Com., PGDFM
Proprietor

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Annexure VII

Form No. MR-3

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2023**

[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,
Ovobel Foods Limited
Ground Floor, No.46 Old No.32/1, 3rd Cross,
Aga Abbas Ali Road, Ulsoor, Bangalore- 560042
Karnataka.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Ovobel Foods Limited (hereinafter called the 'Company'), Secretarial Audit was conducted in a manner that provided me with a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the financial year ended on 31st March 2023, according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956('SCRA') and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings to the extent applicable, if any;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992('SEBI Act');
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;



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- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- vi) The management has identified and confirmed the following laws as specifically applicable to the Company:
 - a) The Factories Act, 1948
 - b) The Payment of Wages Act, 1936
 - c) Employees Provident Fund and Miscellaneous Provisions Act, 1952
 - d) Employees State Insurance Act, 1948
 - e) The Payment of Bonus Act, 1965
 - f) The Environment (Protection) Act, 1986
 - g) Water & Air Pollution Act, 1981
 - h) Income Tax Act 1961
 - i) Payment of Gratuity Act, 1972
 - j) Goods and Service Tax Act, 2017
 - k) Water (Prevention & Control of Pollution) Act 1974 and rules thereunder
 - l) Air (Prevention & Control of Pollution) Act 1981 and rules thereunder
 - m) Legal Metrology Act, 2009
 - n) Food Safety and Standards Act, 2006
 - o) Boilers Act, 1923
 - p) Industrial Dispute Act, 1947
 - q) Contract Labour (Regulation and Abolition) Act, 1970

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India, and
- b) The Listing Agreement entered by the Company with Bombay Stock Exchange relating to listing of Equity shares;

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above subject to the following observations:

- a. *The Company is suspended from trading of securities at Calcutta Stock Exchange Limited.*
- b. *There was a delay of 1 day in publishing June 2022 quarter results in newspapers. The same was declared on 14 August 2022, the same was published in newspaper on 17 August 2022 instead of 16 August 2022.*



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- c. *There was delay in furnishing details of inter-se transfer of shares by the promoters, by the Company to the Stock Exchange. The transfer to immediate relative was made on 27 March 2023, promoter informed the Company on 29 March 2023. The Company filed the requisite disclosure under Regulation 7(2) of SEBI (PIT) regulations with Stock Exchange on 17 April 2023.*
- d. *The Company has not filed MGT 7, Annual Report for FY ended 31 March 2022*
- e. *The shareholding of the promoters of the Company as on 31 March 2023 is beyond the threshold limit as specified in Reg 38 of SEBI (LODR) 2015 and Rule 19(2) and Rule 19A of the Securities Contracts (Regulation) Rules, 1957. The Company is required to bring down promoter holding to maintain minimum public shareholding of 25%.*

I further report that:

The Board of the Company is duly constituted with proper balance of Directors as on 31 March 2023, as required under the Companies Act, 2013 including: Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. No changes in the composition of the Board of Directors took place during the period under review.

Adequate notices were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, except for certain cases where consent of the Board was obtained for shorter notice of meetings, 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.

Majority decisions are carried through by unanimous consent and therefore dissenting members' views recording is not applicable.

I 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.

I further report that during the audit period: -

In the financial year 2018-19, as per BIFR proceedings, Karnataka State Industrial and Infrastructure Development Corporation Limited (KSIIDC) & Ministry of Food Processing Industry (MFPI) have accepted the scheme of one-time settlement and have issued no due certificate and released 10,00,000 equity shares to the Company. During the financial year 2019-20, the Company submitted draft scheme of reduction of share capital from INR. 10,50,08,000 to 9,50,08,000 to the SEBI for the approval.

As per the details furnished the Company has obtained an order from Hon'ble National Company Law Tribunal, Bangalore dated 8 March 2022 approving the said Scheme of Capital Reduction. The Company as on 31st March 2022 has given effect to the reduction of share capital in its accounts and was awaiting an order from Bombay Stock Exchange for extinguishment of 10,00,000 equity shares subsequent to



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which the same will get effect on shareholding pattern. The said effect in the shareholding pattern was given effective 31 March 2023 upon receipt of order for extinguishment of shares from BSE.

Due to reduction of share capital approved by the NCLT, the promoter shareholding has increased beyond the threshold limit of 75%, thus the Company is required to ensure that the Promoters of the Company dilute their shareholding, sell 1,45,900 (One Lakh Forty Five Thousand Nine Hundred) equity shares equivalent to 1.54% of the paid up capital, within a maximum period of 12 months from the date of such fall as per the provisions of Rule 19 A of the Securities Contracts (Regulation) Rules, 1957 as amended from time to time.

FOR CHETAN MANDLIA & ASSOCIATES
COMPANY SECRETARIES

SD/-

CHETAN MANDLIA
MEMBERSHIP NO: F-8551
C.P. NO: 8047.
UDIN: F008551E000459408
PEER REVIEW NO. 2484/2022

DATE: JUNE 06,2023
PLACE: MUMBAI

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.



CHETAN T. MANDLIA CHETAN MANDLIA & ASSOCIATES
F.C.S, LLB., M.Com., PGDFM
Proprietor

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cschetanmandlia@gmail.com

‘Annexures A’

To
The Members,
Ovobel foods Limited,
Ground Floor, No.46 Old No.32/1, 3rd Cross,
Aga Abbas Ali Road, Ulsoor, Bangalore- 560042
Karnataka.

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

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

FOR CHETAN MANDLIA & ASSOCIATES
COMPANY SECRETARIES

SD/-

CHETAN MANDLIA
MEMBERSHIP NO: F-8551
C.P. NO: 8047.
UDIN: F008551E000459408
PEER REVIEW NO. 2484/2022

DATE: JUNE 06,2023
PLACE: MUMBAI

Office Address: 390/A/27-28, Kardodi Building, Near Apollo Mills, Near Subhash Nagar Estate, N. M. Joshi Marg, Mumbai -400 011



CHETANT.T.MANDLIA CHETAN MANDLIA & ASSOCIATES
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cschetanmandlia@gmail.com

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,
OVOBEL FOODS LIMITED
GROUND FLOOR, NO.46 OLD NO.32/1, 3RD CROSS,
AGA ABBAS ALI ROAD,ULSOOR, BANGALORE - 560042, KARNATAKA

Based on our verification of the books, papers, registers, forms, returns, disclosures received from the Directors and other records maintained by Ovobel Foods Limited (CIN: L85110KA1993PLC013875) having its Registered office at Ground Floor, No.46 Old No.32/1, 3rd Cross, Aga Abbas Ali Road, Ulsoor, Bangalore - 560 042, Karnataka, India ("the Company") and also the information provided by the Company, its officers, agents and authorized representatives 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 and based on the verification of the portal www.mca.gov.in, including Directors Identification Number (DIN) status at the portal,

we hereby certify that during the Financial Year ended on March 31, 2023, in our opinion, none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such Statutory Authority.

Sl. No.	Name	DIN	Designation	Date of appointment(s)	Date of Resignation
1	Mr. Syed Fahad	01865406	Non-Executive Director	11-12-2020	-
2	Mr. Channappa Bhavihal Gurusiddappa	07278848	Non-Executive Director	11-12-2020	-
3	Mr. Mysore Satish Sharad	08987445	Managing Director	11-12-2020	-
4	Ms. Priyanka Rajora	08985737	Independent Director	11-12-2020	-
5	Ms. Pooja Jain	08985766	Independent Director	11-12-2020	-



CHETAN T. MANDLIA CHETAN MANDLIA & ASSOCIATES
F.C.S, LLB., M.Com., PGDFM
Proprietor

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cschetanmandlia@gmail.com

Post Financial Year ended on March 31, 2023, in our opinion, the following Directors appointed and resigned on the Board of the Company have not been debarred or disqualified from being appointed or resigned as directors of the Company by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such Statutory Authority.

Sl. No.	Name	DIN	Designation	Date of appointment after 31 March 2023	Date of resignation after 31 March 2023
1.	Mrs. Rakhi Bajoria	07161473	Additional, Independent, Woman Director	04-04-2023	-
2.	Mrs. Geetika Khandelwal	10061631	Additional, Independent, Woman Director	04-04-2023	-
3.	Ms. Priyanka Rajora	08985737	Independent Director	11-12-2020	06-04-2023
4.	Ms. Pooja Jain	08985766	Independent Director	11-12-2020	30-05-2023

It is the responsibility of the management of the Company for ensuring the eligibility for the appointment/ continuity of every director on the board of the Company. Our responsibility is to express an opinion based on our verification.

FOR CHETAN MANDLIA & ASSOCIATES
COMPANY SECRETARIES

Sd/-

CHETAN MANDLIA
MEMBERSHIP NO: F-8551
C.P. NO: 8047.
UDIN: F008551E000461401
PEER REVIEW NO. 2484/2022

DATE: JUNE 06 2023
PLACE: MUMBAI

Office Address: 390/A/27-28, Kardodi Building, Near Apollo Mills, Near Subhash Nagar Estate, N. M. Joshi Marg, Mumbai -400 011

INDEPENDENT AUDITOR'S REPORT

To the Members of Ovobel Foods Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Ovobel Foods Limited ("the Company"), which comprise the Balance sheet as at March 31, 2023, and the statement of Profit and Loss (including Other Comprehensive Income), and the Statement of Changes in Equity and the Statement of Cash flows for the year ended on that date and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Sec 133 of the Act read with the Companies (Indian Accounting Standard) Rules 2015 as amended (Ind AS) and the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ('the Act'). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the 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 financial statements of the current period. These matters were addressed in the context of our audit of the financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters	Auditors' response
<p><i>Inventory Valuation</i></p> <p>As on 31st March 2023, the Company carries inventories to the tune of INR 1,802.60 Lakhs.</p> <p>Finished goods inventory are valued at lower of cost and net realizable value (estimated selling price less estimated cost to sell). Considering the complexities and manual process involved in determining inventory valuation and cost of materials consumed which also involves significant management judgement; inventory valuation has been considered as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Verified the basis of conversions applied by the company in conversion of raw material(eggs) into finished goods (Egg Powder/Liquid) for all the key products and ensured the same is in line with the industry standards. • Evaluated the design of internal controls relating to the valuation of various categories of products and also tested the operating effectiveness of the aforesaid controls. • Verified the publicly available market information and also the orders existing as at year end to arrive at the Net Realisable Value (NRV) for the products. • Further we have also compared the cost of finished goods with NRV and ensured that the inventory is valued at cost or NRV whichever is lower.

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 of the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and shareholder's information but does not include the financial statements and our auditor's report thereon. The Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and shareholder's information is expected to be made available to us after the date of this auditor's report.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the 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.

Responsibilities of Management and Those Charged with Governance for the 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 financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the

Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management and the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 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 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

- (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of changes in equity and Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account;
- (d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133, of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **“Annexure B”**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, in our opinion, according to the information and explanation give to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V of the Act, and
- (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, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 40 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. As per the Management Representation, we report:
 - a. No funds have been advanced or loaned or invested by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b. No funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

Based on the audit procedures performed, we report that nothing has come to our notice that has caused us to believe that the representations given under sub-clause (a) and (b) by the management contain any material mis-statement.

- v. The company did not declare/paid any dividend during the year.
- vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules , 2014 is applicable for the company only effect from April 1,2023, reporting under clause (g) of the Rule 11 is not applicable.

For ASA & Associates LLP

Chartered Accountants

Firm Registration No: 009571N/N500006

Vinay K S

Partner

Membership No. 223085

UDIN: 23223085BGVTX19550

Place: Bengaluru

Date: 30th May, 2023

Annexure - A to the Independent Auditors' Report

As referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our report of even date

- (i) a) (A) According to the information and explanations given to us, and audit procedures performed by us, the Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) According to the information and explanations given to us and audit procedures performed by us, the Company has maintained proper records showing full particulars of intangible assets.
- b) The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c) According to information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all of the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.
- d) According to 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) or intangible assets during the year.
- e) According to 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 are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) a) The inventory except goods in transit has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. According to information and explanations given to us and on the basis of our examination of the records of the Company, no material discrepancies were noticed on verification between the physical stocks and book records that were more than 10% in aggregate of each class of inventory.
- b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. According to information and explanations given to us and on the basis of our examination of the records of the Company, the statements filed by the Company with such banks or

financial institutions are in agreement with the books of account of the Company for all months except as noted below:

Month Ending	As per Books of Accounts (In lakhs)	As per Statement submitted to Bank (In lakhs)	Difference (In lakhs)	Reason for Discrepancies
Jun-22	1,826.43	1,824.49	1.94	The discrepancy is due to minor corrections made to inventory valuation on limited review for quarter ended 30th Jun 22.
Sep-22	1,419.59	1,414.03	5.56	The discrepancy is due to minor corrections made to inventory valuation on limited review for quarter ended 30th Sep 22.
Mar-23	1,802.60	1,814.39	(5.94)	The discrepancy is due to minor corrections made to inventory valuation on limited review for quarter ended 31st March 23.

- (iii) a) According to the information and explanation and on the basis of our examination of the records of the Company, the Company has not provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any parties. However, it has invested in the form of debentures as given below:

Particulars	Guarantees	Investments	Security	Loans	Advance in nature of loans
Aggregate amount granted/ provided during the year					
- Others	Nil	900 Lakhs	Nil	Nil	Nil
Balance outstanding as at balance sheet date in respect of above cases					
- Others	Nil	900 Lakhs	Nil	Nil	Nil

- b) According to the information and explanations given to us and audit procedures performed by us, we are of the opinion that the investment made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are, prima facie, not prejudicial to the Company's interest.
 - c) Since the company has invested in debentures and not provided any loans reporting under clause 3(iii)(c) to clause 3(iii)(f) are not applicable.
- (iv) According to information and explanation given to us and on the basis of our examination of the records of the Company, in respect of investments made and loans, guarantee and security given by the Company, the provisions of Section 185 and 186 of the Companies Act, 2013 have been compiled with.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, reporting under clause 3(v) of the Order is not applicable.
- (vi) According to 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, reporting under clause 3(vi) of the Order is not applicable.
- (vii)
 - a) According to the information provided and explanations given to us and based on our examination of the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, duty of customs, and other material statutory dues applicable to it except for delays in depositing GST on reverse charge basis (RCM) basis on certain overseas commission payments. There are no outstanding statutory dues existing as on the last day of the financial year which is outstanding for more than six months from the day these becomes payable, except for GST on reverse charge basis which remains to be unascertained.
 - b) According to the information provided and explanations given to us, there are no statutory dues relating to Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information provided 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 assessment under the Income Tax Act, 1961 as income during the 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 has not defaulted in repayment of loans and borrowings or in the payment of interest thereon to the lenders during the year.

- b) According to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
 - c) In our opinion and according to the information and explanations given to us, term loans were applied for the purposes for which they were obtained.
 - d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
 - e) The Company does not hold any investment in any subsidiary, associate or joint venture as defined under the Companies Act, 2013 during the year. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable.
 - f) The Company does not hold any investment in any subsidiary, associate or joint venture as defined under the Companies Act, 2013 during the year. Accordingly, reporting under 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) during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable
- b) According to the information provided 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 convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable
- (xi) a) According to the information and explanations given by the management and based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements, we report that no fraud by the Company or any fraud on the Company has been noticed or reported during the year.
- b) According to our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, report under section 143(12) of the Act, in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.
- c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions entered with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and details have been disclosed in the financial statements as required by Indian accounting standards – 24.

- (xiv) a) Based on information and explanation 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) According to the information and explanations given to us, in our opinion the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) a) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities.

c) The Company is not Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under clause 3(xvi)(c) and (d) of the Order are not applicable.
- (xvii) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) The no resignation of the statutory auditors during the year and accordingly reporting under 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.

- (xx) In respect of other than ongoing projects, the Company has transferred unspent amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act, except in respect of the following:

Financial Year	Amount identified for spending on CSR activities for “other than Ongoing Projects”	Amount unspent on Corporate Social Responsibility activities “other than Ongoing Projects”	Amount Transferred to Fund specified in Schedule VII within 6 months from the end of the Financial Year	Due Date of Transfer to specified fund	Amount Transferred after the due date
FY 20-21	7.05 Lakhs	7.05 Lakhs	Nil	30-Sep-21	7.05 Lakhs
FY 21-22	1.58 Lakhs	1.58 Lakhs	Nil	30-Sep-22	1.58 Lakhs

For **ASA & Associates LLP**

Chartered Accountants

Firm Registration No: 009571N/N500006

Vinay K S

Partner

Membership No. 223085

UDIN: 23223085BGVTX19550

Place: Bengaluru

Date: 30th May, 2023

Annexure - B to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of Ovobel Foods Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For ASA & Associates LLP

Chartered Accountants

Firm Registration No: 009571N/N500006

Vinay K S

Partner

Membership No. 223085

UDIN: 23223085BGVTX19550

Place: Bengaluru

Date: 30th May 2023

Ovobel Foods Limited
CIN: L85110KA1993PLC013875
Balance Sheet as at 31st March 2023
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	2(a)	262.84	278.77
Right-of-use assets	2(b)	13.66	1.99
Other intangible assets	2(c)	1.85	-
Financial Assets			
Investments	3	903.88	4.10
Other financial assets	4	67.41	37.80
Deferred tax assets (Net)	5	78.00	154.57
Income tax assets (Net)	6	-	24.17
Other non-current assets	7	15.60	0.42
Total non-current assets		1,343.24	501.82
Current assets			
Inventories	8	1,802.60	1,771.13
Financial assets			
Trade Receivables	9	1,786.21	1,157.34
Cash and cash equivalents	10	604.30	589.31
Bank Balances other than above	11	4,194.12	906.48
Loans	12	3.23	4.97
Other financial assets	13	3.67	3.95
Other Current Assets	14	310.57	681.90
Total current assets		8,704.70	5,115.08
TOTAL ASSETS		10,047.94	5,616.90
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	15	950.08	950.08
Other Equity	16	4,941.00	1,050.25
Total equity		5,891.08	2,000.33
Non-current liabilities			
Financial Liabilities			
Borrowings	17	202.33	335.43
Lease Liability	2(b)	7.79	-
Provisions	18	62.37	91.38
Total non-current liabilities		272.49	426.81
Current liabilities			
Financial liabilities			
Borrowings	19	2,669.56	2,360.43
Lease Liability	2(b)	5.70	2.59
Trade Payable	20		
Total outstanding dues of micro enterprises and small enterprises		33.87	-
Total outstanding dues of Creditors other than micro enterprises and small enterprises		234.26	287.81
Other Current liabilities	21	680.75	480.43
Provisions	22	60.19	58.50
Current Tax liabilities(Net)	23	200.04	-
Total current liabilities		3,884.37	3,189.76
TOTAL EQUITY AND LIABILITIES		10,047.94	5,616.90

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

For ASA & Associates LLP
Chartered Accountants
Registration No: 009571N/N500006

For and on behalf of the Board of Directors

Vinay K S
Partner
Membership No. 223085
UDIN: 23223085BGVTX19550

Mysore Satish Sharad
Managing Director
DIN: 08987445
Place : Bengaluru
Date :

Syed Fahad
Director
DIN: 01865406
Place : Bengaluru
Date :

Place : Bengaluru
Date: 30th May 2023

Sunil Varghese P
Chief Financial officer
Place : Bengaluru
Date :

Prakriti Sarvouy
Company Secretary
Membership No. : 21962
Place : Bengaluru
Date :

Ovobel Foods Limited
CIN: L85110KA1993PLC013875
Statement of Profit and Loss for the year ended 31st March 2023
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from operations	24	22,134.15	12,508.68
Other income, net	25	342.37	194.29
Total Income		22,476.52	12,702.97
Expenses			
Cost of materials consumed	26	13,861.95	10,344.42
Changes in inventories of finished goods, stock-in-transit and work-in-progress	27	(11.09)	(482.00)
Employee benefits expense	28	970.25	822.13
Finance costs	29	128.43	63.28
Depreciation and amortization expense	30	76.67	90.24
Other Expenses	31	2,190.73	1,852.46
Total expenses		17,216.94	12,690.53
Profit/ (loss) before Tax		5,259.58	12.44
Tax expenses			
Current tax	34	1,303.93	0
Earlier year's tax	34	-0.34	-
Deferred tax charge/(income)	34	73.72	10.74
Total Tax expenses		1,377.32	10.74
Profit/(loss) for the year		3,882.27	1.70
Other comprehensive income			
<i>Items that will not be reclassified to profit or (loss) in subsequent period</i>			
Net change in fair value of investment in equity instruments measured at fair value through OCI		(0.22)	(0.30)
Income tax relating to items that will not be reclassified to profit or loss		0.05	0.08
		(0.17)	(0.22)
Re-measurement of the net defined benefit liability/asset, net		11.56	19.21
Income tax relating to items that will not be reclassified to profit or loss		(2.91)	(5.34)
		8.65	13.87
Total other Comprehensive Income/(loss) for the year		8.48	13.65
Total Comprehensive Income/ (loss) for the year		3,890.75	15.35
Earnings per share:	32		
Equity Share of par value of Rs. 10 each			
Basic (₹)		40.86	0.02
Diluted (₹)		40.86	0.02

*The accompanying notes form an integral part of the financial statements.
As per our report of even date attached*

For ASA & Associates LLP
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Registration No: 009571N/N500006

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Date :

Ovobel Foods Limited
CIN: L85110KA1993PLC013875
Cash Flow Statement for the period ended 31 March 2023
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash flow from operating activities		
Profit/(loss) for the year	5,259.58	12.44
Adjustments to reconcile net profit/ (loss) to net cash provided by operating activities:		
Depreciation / amortization	76.67	90.24
Finance Cost	128.43	63.28
Write-off of Property, Plant and Equipment	-	17.71
Liabilities no longer required written back	(1.40)	20.21
Interest Income	(128.05)	(44.01)
Dividend Income	-0.02	
	5,335.21	159.87
Changes in Assets and Liabilities:		
Increase/(decrease) in trade payables	(18.28)	(39.18)
Increase/(decrease) in Provisions	(16.82)	(27.31)
Increase/(decrease) in other current liabilities	200.31	263.96
(Increase)/decrease in other financial assets	(29.32)	4.27
(Increase)/decrease in non - current assets	(15.05)	(0.05)
(Increase)/decrease in current assets	371.36	(113.07)
(Increase)/decrease in Inventories	(31.47)	(521.95)
(Increase)/decrease in trade and other receivables	(628.86)	(215.75)
(Increase)/decrease in Loans	1.74	3.11
(Increase)/decrease in Income tax assets (Net)	12.61	(4.82)
Cash generated from / (used in) operations	5,181.43	(490.93)
Direct taxes paid during the year (net of refunds)	(1,092.00)	-
Net cash flow from/ (used in) operating activities (A)	4,089.43	(490.93)
Cash flow from investing activities		
Purchase of Property, Plant and Equipment (net)	(56.89)	(33.55)
Investment in Debentures	(900.00)	-
Movement in Fixed Deposits	(3,287.65)	(39.55)
Interest received	128.05	44.01
Dividend received	0.02	-
Net cash flow from/ (used in) investing activities (B)	(4,116.47)	(29.09)
Cash flow from financing activities		
Proceeds/ (repayment) from Borrowings	176.03	1,136.05
Principal payment of Lease Liability	(5.57)	(5.14)
Interest payment of Lease Liability	(0.77)	(0.58)
Interest paid	(127.66)	(52.19)
Net cash flow from/ (used in) in financing activities (C)	42.03	1,078.14
Net increase/(decrease) in cash and cash equivalents (A + B + C)	14.99	558.13
Cash and cash equivalents at the beginning of the year	589.31	22.36
Cash and cash equivalents at the end of the year	604.30	580.49
Components of cash and cash equivalents		
Cash on hand	1.28	0.40
With banks - on current account	603.02	588.91
Total cash and cash equivalents	604.30	589.31

Notes:

- 1) Cash Flow Statement has been prepared under the indirect method as set out in the Ind AS 7 "Cash Flow Statements".
- 2) Brackets indicate cash outflow/ Deduction.
- 3) Previous year figures have been regrouped/ reclassified wherever necessary.

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

For ASA & Associates LLP
Chartered Accountants
Registration No: 009571N/N500006

For and on behalf of the Board of Directors

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Place : Bengaluru
Date :

Place : Bengaluru
Date: 30th May 2023

Ovobel Foods Limited

CIN: L85110KA1993PLC013875

Statement of Changes in Equity for the year ended 31 March 2023

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

A. Equity Share Capital

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the reporting year	950.08	1,050.08
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the reporting year	950.08	1,050.08
Changes in equity share capital during the year	-	(100.00)
Balance at the end of the reporting year	950.08	950.08

B. Other Equity

Particulars	Reserves and Surplus		Items of OCI	Total
	Retained Earnings	Capital Reserves	Investment in equity instruments measured at fair value through OCI	
Balance as on 1st April 2021	543.22	489.35	2.33	1,034.90
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting year	543.22	489.35	2.33	1,034.90
Total Comprehensive Income for the current year	1.70	-	-	1.70
Other comprehensive Income (net of tax)	-	-	(0.22)	(0.22)
Remeasurement of net defined benefit liability/asset (net of tax) *	13.87	-	-	13.87
Balance as on 31st March 2022	558.79	489.35	2.11	1,050.25
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting year	558.79	489.35	2.11	1,050.25
Total Comprehensive Income for the current year	3,882.27	-	-	3,882.27
Other comprehensive Income (net of tax)	-	-	(0.17)	(0.17)
Remeasurement of net defined benefit liability/asset (net of tax) *	8.65	-	-	8.65
Balance as on 31st March 2023	4,449.71	489.35	1.93	4,941.00

* In accordance with Notification G.S.R 404(E) , dated 06 April 2016, the company has recognised remeasurement of defined benefit plans amounting to Rs. 8.65 Lakhs {PY - 13.87 Lakhs} as a part of retained earnings in previous financial year.

The accompanying notes form an integral part of the financial statements.

As per our report of even date attached

For ASA & Associates LLP
Chartered Accountants
Registration No: 009571N/N500006

For and on behalf of the Board of Directors

Vinay K S
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Membership No. 223085
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Chief Financial officer
Place : Bengaluru
Date :

Prakriti Sarvouy
Company Secretary
Membership No. : 21962
Place : Bengaluru
Date :

Ovobel Foods Limited**Notes to the financial statements for the year ended March 31, 2023**

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

Background

Ovobel Foods Limited (the Company) (CIN: L85110KA1993PLC013875) is a company limited by shares, incorporated and domiciled in India and has its registered office at Aga AbbasAli Road, Ulsoor, Bengaluru. The Company is engaged in the business of manufacturing and distribution of Eggs powders & other egg related products. The Company sells its products in India as well as in various other global markets.

1 Summary of Significant Accounting Policies:**1A Application of Indian Accounting Standards**

All the Indian Accounting Standards issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the Financial Statements are authorised have been considered in preparing these Financial Statements. There is no other Indian Accounting Standard that has been issued as of that date, but not mandatorily effective.

1B Statement of Compliance

The financial statements have been prepared in accordance with the provisions of Companies Act 2013 ("the Act") and Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015, issued by the Ministry of Corporate Affairs in exercise of powers conferred by section 133 of the Act.

The financial statements of the reporting entity were authorized for issued by the Company's Board of Directors on 30th May 2023.

1C Basis of preparation of financial statements

The Financial Statements have been prepared in accordance with (Ind AS) under the historical cost convention on accrual basis, except for certain Financial instruments that are measured at fair value at the end of each reporting period, the provisions of Companies Act, 2013('the Act')(to extent notified) and guidelines issued by Securities Exchange Board of India(SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards Rules, 2015 and relevant amendment rules issued there after.

Ministry of Corporate Affairs ("MCA") through a notification dated March 24, 2021, amended Division II of Schedule III of the Companies Act, 2013 and applicable for the reporting period beginning on or after April 1, 2021. The amendment encompasses certain additional disclosure requirements. The Company has applied and incorporated the requirements of amended Division II of Schedule III of the Companies Act, 2013, to the extent applicable on it while preparing these financial statements.

The financial statements are presented in Indian Rupees lakhs unless otherwise stated.

The operating cycle in the normal course has been identified to have a duration of 12 months. Accordingly, all assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Ind AS – 1 "Presentation of Financial Statements" and Schedule – III to the Companies Act, 2013.

The Balance sheet, the Statement of Profit and Loss and the statements of Changes in Equity are prepared in the format prescribed in Schedule III to the Act. The Cash Flow Statement has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of accounts along with the other notes required to be disclosed under the Ind AS.

The Financial Statements are presented in Indian Rupees (In Laksh) and all values are rounded off to two decimals except as otherwise stated.

1D Significant accounting policies**i Use of Estimates**

The preparation of financial statements in conformity with general accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

ii Accounting of Duty Drawback

As per Indian Accounting Standard (IND AS) 20, "Accounting for Government Grants and Disclosure of Government Assistance", government grants including non monetary grants shall be recognised when company is well assured that:

- a) the company will comply with conditions attaching to them; and
- b) the grant will be received.

Company recognises income arising from duty drawback under the MEIS Scheme of Foreign trade policy on approval basis since the entitlement is subject to the approvals of Director General of Foreign Trade (DGFT) authorities.

iii Property, plant and equipment and depreciation/amortisation**A. Property, plant and equipment**

Property, plant and equipment except land are carried at historical cost of acquisition, less accumulated depreciation and amortisation.

Cost represents all expenses directly attributable to bringing the asset to its working condition capable of operating in the manner intended.

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the Company measures its 'value in use' on the basis of undiscounted cash flows of next five years projections estimated based on current prices.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

Assets under installation or under construction and the related advances as at the Balance Sheet date are shown as Capital Work in Progress.

B. Transition to IND AS

On Transition to Ind AS, the Company had elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1st April 2016 measured as per previous GAAP which in case of the Company, corresponds with carrying costs measured in accordance with Ind AS 16 Property, plant and equipment.

C. Depreciation and amortisation methods, estimated useful lives and residual value

- I a) Depreciation is provided on a pro rata basis on the written down value method to allocate the cost, net of residual value over the estimated useful lives of the assets.
- b) Where a significant component (in terms of cost) of an asset has an estimated economic useful life shorter than that of it's corresponding asset, the component is depreciated over it's shorter life.
- c) Useful life of assets are determined by the Management by internal technical assessments except in case where such assessment suggests a life significantly different from those prescribed by Schedule II- Part 'C', the useful life is as assessed and certified by a technical expert.

Ovobel Foods Limited**Notes to the financial statements for the year ended March 31, 2023**

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

II Assets which are depreciated over useful life/residual value indicated by Schedule II are as follows:

Asset Class	Life as per Schedule II
Factory Buildings	30 years
Office Equipment's	05 years
Furniture & Fixtures	10 years
Plant & Machinery - Continuous process plant	08 years
Plant & Machinery - Electrical Installations & General Laboratory equipment's	10 years
Plant & Machinery - Others (Material handling pipelines & welding equipment's)	12 years
Plant & Machinery - Other Equipment's	15 years
Plant & Machinery - Vessels / Storage tanks and drying equipment's / centrifuges	20 years
Plant & Machinery - Transmission lines, cables & other network assets	40 years
Computers & data processing units	03 years
Motor Vehicles	08 years

III Depreciation on additions is being provided on pro rata basis from the month of such additions.**IV Depreciation on assets sold, discarded or demolished during the year is being provided up to the month in which such assets are sold, discarded or demolished.****B. Impairment of assets**

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

iv Intangible assets and amortisation

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

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life of computer software is 5 years. The estimated useful life is reviewed at the end of each reporting period and the effect of any changes in estimate being accounted for prospectively.

Intangible assets are derecognised when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are determined as the carrying amount of the asset (net of disposal proceeds, if applicable) and recognised in the Statement of Profit and Loss when the asset is derecognised.

v Inventories

Cost of inventories have been computed to include all costs of purchases (including materials), cost of conversion and other costs incurred, as the case may be, in bringing the inventories to their present location and condition.

Inventories comprising of Raw materials are valued at cost.

Finished goods, Work In Progress(WIP) and Goods in transit are valued at cost or net realisable value whichever is less.

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

vi Investments & financial assets**i) Classification**

The Company classifies its financial assets in the following measurement categories :-

a) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

b) those measured at amortised cost.

The classification is done depending upon the Company's business model for managing the financial assets and the contractual terms of the cash flows.

ii) Measurement

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

Financial assets carried at amortised cost:

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income:

A financial asset is subsequently measured at fair value through other comprehensive income (FVOCI) if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair value through profit or loss:

Assets that do not meet the criteria for amortised cost, are measured at fair value through profit or loss e.g. investments in mutual funds. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the Statement of Profit and Loss within other gains/(losses) in the period in which it arises.

iii) Derecognition of financial assets

A financial asset is derecognised only when Company has transferred the rights to receive cash flows from the financial asset. Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised.

Ovobel Foods Limited**Notes to the financial statements for the year ended March 31, 2023**

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

vii Income recognition**Interest Income**

Interest income from Financial assets (Rent deposits) is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial asset but does not consider the expected credit losses.

Dividends

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

viii Foreign currency transactions

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

ii) On initial recognition, all foreign currency transactions are recorded at foreign exchange rate on the date of transaction as notified by CBEC from time to time

iii) Monetary items of current assets and liabilities in foreign currency outstanding at the close of financial year are revalued at the appropriate exchange rates prevailing at the close of the year.

iv) The gain or loss on decrease/increase in reporting currency due to fluctuations in foreign exchange rates, in case of monetary current assets and liabilities in foreign currency, are recognised in the Statement of Profit and Loss in the manner detailed in note 25 to financial statements.

Foreign currency transactions during the year are initially recognised in the functional currency at the rate of exchange prevailing at the date of transaction. Exchange differences arising on the settlement of such transactions are recognised in the Statement of Profit and Loss in the period in which they arise.

Foreign currency monetary items as at the balance date are translated using the closing rate; the resultant exchange differences are recognized in the Statement of Profit and Loss.

Non- Monetary items that are measured in terms of historical cost in a foreign currency and are translated using the exchange rate at the date of transaction.

ix Cash & Cash equivalents

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

x Revenue Recognition

The Company has adopted IndAS 115-"Revenue from Contracts with Customer ", with effect from 01 April 2018. Company has applied the following accounting policy in the preparation of its financial statements:

The Company recognises revenue from contracts with customers based on a five step model as set out in IndAS 115:

Step 1. Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer that are distinct.

Step 3. Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the company will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the company expects to be entitled in exchange for satisfying each performance obligation.

Step 5. Recognise revenue when (or as) the entity satisfies a performance obligation.

Company recognises revenue at a point in time when it satisfies a performance obligation by transferring promised goods to a customer. An asset is transferred when the customer obtains control of the same.

When the company satisfies a performance obligation by delivering the promised goods or services it creates a contract asset based on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to a contract liability.

Company undertakes production and sale of processed egg products and by products. The produced goods are sold to domestic and export customers.

Export Sales

Export contracts are entered on terms of CIF(cost, insurance and freight) and CRF(cost and freight) basis.

Control of goods is said to be transferred when customer has the ability to direct the use of and obtain the benefits from the good or service irrespective of risk or rewards being transferred. The shipment terms of CIF and CRF are a measure of transfer of risk and rewards only. Therefore, the transfer of control and point of recognising revenue will be considered when the goods arrive at their final destination port.

Domestic Sales

Revenue under domestic contracts is recognised when goods are outwards from the place of production as the customer obtains control from that point of time, i.e., customer can direct its use thereafter.

Other Income

Other Income shall be required when entity satisfies the respective performance obligation.

xi Write back policy for provisions / liabilities

Accrued Interest on loans recorded in the books are retained until the Company receives the "No due certificate" / Account closure letter from the financial institutions / authorities and after receiving the "No due certificate", the liability shall be written back and recorded as income.

xii Cash Flow Statements

The entity reports the cash flow from

a) operating activities using indirect method by adjusting the profit or loss for the effects of transactions of non-cash nature, deferrals or accruals of past or future cash receipts or payments and item of income or expense associated with investing or financing cash flows.

b) From investing and financing activities by reporting separately the major cash receipts and cash payments that arises from investing and financing activities except to the extent permitted to be reported on net basis by IND AS -7.

Ovobel Foods Limited**Notes to the financial statements for the year ended March 31, 2023**

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

xiii Sales Commission

Sales Commission payable is provided as and when the revenue from such sales is accounted.

xiv Borrowing costs

Borrowing costs include interest expense calculated using the effective interest method.

Borrowing costs specifically identified to the acquisition or construction of qualifying assets is capitalized as part of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use.

All other borrowing costs are charged to the Statement of Profit or Loss in the year in which it is incurred.

xv Earnings Per Share

Basic earnings per share amounts are computed by dividing net profit or loss for the period attributable to equity shareholders by the weighted average number of shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

xvi Retirement Benefits- Defined Benefit Plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plans. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The entity determines the defined benefit liability/asset annually by referring the same for valuation by a qualified actuary. The qualified actuary valued the defined benefit obligation by using the projected unit credit method. The amounts recognised in the financial statements are based on such actuarial valuation. Such determination of defined benefit obligations takes into account any practices of constructive obligations. The obligations (in respect of each material plan) are recognised in the financial statements

a) In Statement of Profit & Loss

(i) Current service cost

(ii) Any past service cost and gain or loss on settlement

(iii) Net interest on net defined benefit liability

b) In Other comprehensive income

(i) Actuarial gains and losses

(ii) Return on plan assets, excluding amounts included in net interest on the net defined benefit liability

(iii) Any change in the effect of asset ceiling

c) In the Balance sheet, the net defined benefit/asset is separately recognised and in respect of surplus in a defined plan, the net defined asset is measured at lower of

a) Surplus in the defined benefit plan and

b) The asset ceiling

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Corporation recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

d) Long-term employee benefits

The Other long-term benefits that arise consequent to employment contracts are recognised in Statement of Profit & Loss as

(i) Service cost

(ii) Net interest on net defined benefit liability

(iii) Re-measurements of the net defined benefit liability

Long term paid absences and other long-term employee benefits are provided for on the basis of an actuarial valuation, using projected unit credit method, as at each balance sheet date.

xvii Segment reporting**Identification of segments**

The company's operating businesses are organized and managed according to the geographical locations of the customers.

xviii Taxation

Current tax is determined based on the amount of tax payable in respect of taxable income for the year.

Deferred tax is recognized on timing differences: being the difference between the taxable incomes and accounting income that originate in one year and are capable of reversal in one or more subsequent years. Deferred tax assets and liabilities have been enacted or substantively enacted by the Balance sheet date. Deferred tax assets arising on account of unabsorbed depreciation or carry forward of tax losses are recognized only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Ovobel Foods Limited**Notes to the financial statements for the year ended March 31, 2023**

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

xix Contingent Liabilities & Provisions

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation such as product warranty costs. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

xx Leases

The lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the company assesses whether:

- (1) the contract involves the use of an identified asset;
- (2) the company has substantially all of the economic benefits from use of the asset through the period of the lease; and
- (3) the company has the right to direct the use of the asset.

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

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no changes are required to lease period relating to the existing lease contracts.

xxi Functional Currency

Currency of the primary economic environment in which the Company operates ("the functional currency") is Indian Rupee (₹) in which the company primarily generates and expends cash. Accordingly, the Management has assessed its functional currency to be Indian Rupee (₹).

xxii Impact Assessment on Ind AS amendments applicable for FY 2023-24:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1 April, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general-purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

Ovobel Foods Limited
Notes to the financial statements for the period ended March 31, 2023

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

(₹ in Lakhs)

2(a) Property, plant and equipment

Particulars	Land	Buildings	Plant & Equipment	Office Equipments	Computers	Electrical fittings	Furniture & Fixtures	Vehicles	Total
Gross carrying value:									
As on 1st April 2021	41.74	443.21	2,430.98	50.67	29.11	8.47	37.43	50.68	3,092.29
Additions	3.14	-	18.57	0.68	7.04	4.12	-	-	33.55
Disposals/ adjustments	17.71	-	-	-	-	-	-	-	17.71
At 31st March 2022	27.17	443.21	2,449.55	51.35	36.15	12.59	37.43	50.68	3,108.13
As on 1st April 2022	27.17	443.21	2,449.55	51.35	36.15	12.59	37.43	50.68	3,108.14
Additions	-	1.00	41.74	2.99	5.01	0.45	2.77	-	53.96
Disposals/ adjustments	-	-	-	-	-	-	-	-	-
At 31st March 2023	27.17	444.21	2,491.29	54.34	41.16	13.04	40.20	50.68	3,162.10
Accumulated Depreciation:									
As on 1st April 2021	-	(352.50)	(2,279.61)	(47.59)	(24.92)	(1.42)	(31.76)	(6.72)	(2,744.52)
Depreciation expense	-	(12.39)	(52.20)	(1.08)	(2.13)	(2.09)	(1.37)	(13.58)	(84.84)
Disposals/ adjustments	-	-	-	-	-	-	-	-	-
At 31st March 2022	-	(364.89)	(2,331.81)	(48.67)	(27.05)	(3.51)	(33.13)	(20.30)	(2,829.36)
As on 1st April 2022	-	(364.89)	(2,331.81)	(48.67)	(27.05)	(3.51)	(33.13)	(20.30)	(2,829.36)
Depreciation expense	-	(10.57)	(41.54)	(0.77)	(3.87)	(2.44)	(1.37)	(9.34)	(69.90)
Disposals/ adjustments	-	-	-	-	-	-	-	-	-
At 31st March 2023	-	(375.46)	(2,373.35)	(49.44)	(30.92)	(5.95)	(34.50)	(29.64)	(2,899.26)
Net carrying value:									
At 31st March 2023	27.17	68.75	117.94	4.90	10.24	7.09	5.70	21.04	262.84
At 31st March 2022	27.17	78.32	117.74	2.68	9.10	9.08	4.30	30.38	278.77

*The company has pledged its immovable property being land bearing Plot No. 30 situated at Malur, Kolar with Bank of Baroda as security against working capital requirement/term loans.(Refer Note-17 and Note-19)

Ovobel Foods Limited
Notes to the financial statements for the period ended March 31, 2023

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

(₹ in Lakhs)

2(b) Right-of-use assets:
i) Following are the changes in the carrying value of right of use assets for the period ended 31 March 2023:

Particulars	Building	Total
Gross block:		
As on 1st April 2021	17.01	17.01
Additions	-	-
Disposals/ adjustments	-	-
As on 31st Mar 2022	17.01	17.01
As on 1st April 2022	17.01	17.01
Additions	17.34	17.34
Disposals/ adjustments	-	-
As on 31st March 2023	34.35	34.35
Accumulated Depreciation:		
As on 1st April 2021	(9.62)	(9.62)
Depreciation expense	(5.40)	(5.40)
Disposals/ adjustments	-	-
As on 31st Mar 2022	(15.02)	(15.02)
As on 1st April 2022	(15.02)	(15.02)
Depreciation expense	(5.68)	(5.68)
Disposals/ adjustments	-	-
As on 31st March 2023	(20.69)	(20.69)
Net carrying value:		
As on 31st March 2023	13.66	13.66
At 31 March 2022	1.99	1.99

ii) The following is the movement in lease liabilities during the period ended 31 March 2023:

Particulars	Building	Total
Balance as at 01 April 2021	7.73	7.73
Additions	-	-
Finance cost accrued during the period	0.58	0.58
Deletions	-	-
Payments	(5.72)	(5.72)
Balance as at 31 March 2022	2.59	2.59
Balance as at 01 April 2022	2.59	2.59
Additions	16.47	16.47
Finance cost accrued during the period	0.77	0.77
Deletions	-	-
Payments	(6.34)	(6.34)
Balance as at 31st March 2023	13.49	13.49

iii) The following is the break-up of current and non-current lease liabilities:

Particulars	As at 31 March 23	As at 31 March 22
Current lease liabilities	5.70	2.59
Non-current lease liabilities	7.79	-
Total	13.49	2.59

The company has recognised the following expenses in the statement of profit and loss:

	Year ended March 31, 2023	Year ended March 31, 2022
Interest expenses on lease liabilities	0.77	0.58
Rent expenses recognised under the head rent pertaining to:		
Leases with less than twelve months of lease term	0.22	-
	0.99	0.58

Payment towards leases with less than twelve months of lease term is disclosed under operating activities in the statement of cash flows. All other lease payments are disclosed under financing activities in the statement of cash flows.

Ovobel Foods Limited**Notes to the financial statements for the period ended March 31, 2023**

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

(₹ in Lakhs)**2(c) Other intangible assets:**

Particulars	Software	Total
Gross block:		
As on 1st April 2021	8.43	8.43
Additions	-	-
Disposals/ adjustments	-	-
At 31 March 2022	8.43	8.43
As on 1st April 2022	8.43	8.43
Additions	2.94	2.94
Disposals/ adjustments	-	-
As on 31 Mar 2023	11.37	11.37
Accumulated Depreciation:		
As on 1st April 2021	8.43	8.43
Amotisation expense	-	-
Disposals/ adjustments	-	-
As on 31 Mar 2022	8.43	8.43
As on 1st April 2022	8.43	8.43
Amotisation expense	1.09	1.09
Disposals/ adjustments	-	-
As on 31 Mar 2023	9.52	9.52
Net carrying value:		
At 31 March 2023	1.85	1.85
At 31 March 2022	-	-

Ovobel Foods Limited
Notes to the financial statements for the period ended March 31, 2023

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

(₹ in Lakhs)

3. Investments

Particulars	As at March 31, 2023	As at March 31, 2022
Investments in equity instruments (Carried at fair value through other comprehensive income)		
Quoted		
- SMIFS Capital Markets Limited		
10,000 (31 March 2022: 10,000) equity shares face value of Rs.10 each full paid up	3.88	4.10
[Market Value March 2023 Rs. 3.88 lakhs] [March 2022 Rs. 4.10 Lakhs]		
Investments in Debt instruments (Carried at amortised cost)	900.00	-
[90,00,000 non convertible debentures of 10 each/-] [March 2022 - Nil]		
Total	903.88	4.10

The above amount is sub classified as:	As at March 31, 2023	As at March 31, 2022
Aggregate amount of Investment in Listed Securities	3.88	4.10
Aggregate amount of Investment in Unlisted Securities	900.00	-
Aggregate amount of impairment in value of investments	-	-
Total	903.88	4.10

Details of the Fair value changes on the above investments:

Particulars	For the Year ended March 31, 2023	For the year ended March 31, 2022
Fair Value Gain/(loss)	(0.22)	(0.30)
Less: Tax impact on above	(0.05)	(0.08)
Net Fair Value Gain/(loss) to be transferred to Other Comprehensive Income for the year	(0.17)	(0.22)

4. Other financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
Security Deposits	39.60	37.80
Interest accrued but not due*	27.81	-
Total	67.41	37.80

*Financial Asset carried at amortised cost

5. Deferred tax assets (Net)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax liability		
OCI Component of Gratuity	2.91	-
Gross deferred tax liability	2.91	-
Deferred tax asset		
Excess of depreciation on property, plant and equipment under Income Tax Act, 1961 over depreciation under Companies Act.	47.45	62.35
Provision for Bonus	14.32	15.54
Provision for Leave Encashment	14.53	16.87
Provision for Gratuity	1.16	3.94
Right of use assets, net of lease liabilities (Ind AS 116)	3.40	0.17
Brought forward losses	-	55.62
Others	0.05	0.08
Gross deferred tax asset	80.91	154.57
Net Deferred Tax Asset	78.00	154.57

The company has recognised deferred tax assets of 47.45 Lakhs as at 31st March 2023, (PY - 62.35 Lakhs) primarily on account of its property, plant and equipment. Management's projections of future taxable profits supports that sufficient taxable profit will be available to utilise this deferred tax asset.

Ovobel Foods Limited**Notes to the financial statements for the period ended March 31, 2023**

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

(₹ in Lakhs)

6. Income tax assets (Net)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance tax including tax deducted at source, net of provision for tax	-	24.17
Total	-	24.17

7. Other non-current assets

Particulars	As at March 31, 2023	As at March 31, 2022
Prepaid expenses	15.60	0.42
Total	15.60	0.42

8. Inventories

Particulars	As at March 31, 2023	As at March 31, 2022
Raw Materials	24.10	20.97
Work-in-progress	90.65	90.13
Finished Goods	822.34	660.29
Stock in transit	796.78	948.26
Consumables	68.73	51.48
Total*	1,802.60	1,771.13

*Refer Note 17 & Note 19 for details of pledge of inventories provided as security for borrowings.

9. Trade receivables

Particulars	As at March 31, 2023	As at March 31, 2022
Considered good - unsecured	1786.21	1,157.34
Less: Allowance for Expected Credit Loss*	-	-
Total	1,786.21	1,157.34

* The company realises all its receivable within 180 days and also secured the receivables by Export Credit Guarantee Cover (ECGC), hence no provision for expected credit loss is required to be made in the books.

Trade receivables aging schedule:

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years
As at 31 March 2023						
Undisputed - considered good	1,782.69	3.52	-	-	-	-
Total	1,782.69	3.52	-	-	-	-
As at 31 March 2022						
Undisputed - considered good	1,132.15	25.19	-	-	-	-
Total	1,132.15	25.19	-	-	-	-

10. Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks:		
-On current Accounts	603.02	588.91
Cash on Hand	1.28	0.40
Total	604.30	589.31

Ovobel Foods Limited**Notes to the financial statements for the period ended March 31, 2023**

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

(₹ in Lakhs)**11. Bank Balances other than above**

Particulars	As at March 31, 2023	As at March 31, 2022
Deposits with more than 3 months but less than 12 months maturity	4194.12	906.48
Total	4,194.12	906.48

12. Loans

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, Considered good Employee Advances	3.23	4.97
Total	3.23	4.97

13. Other financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good Security Deposits	3.30	3.95
Interest accrued but not due	0.37	-
Total	3.67	3.95

14. Other Current Assets

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with Statutory Authorities	123.61	195.91
Advances to Suppliers	116.09	42.09
Duty drawback	30.26	32.46
MEIS Scrips	-	315.11
GST Refund	-	29.86
Subvention Interest Receivable	-	10.34
Prepaid expenses	40.61	56.13
Total	310.57	681.90

15. Equity share capital

Particulars	As at March 31, 2023	As at March 31, 2022
Authorized shares 1,10,00,000 (March 31, 2022: 1,10,00,000) equity shares of Rs. 10 each	1,100.00	1,100.00
	1,100.00	1,100.00
Issued, subscribed and fully paid-up shares 95,00,800 (March 31, 2022: 95,00,800) equity shares of Rs. 10 each fully paid up	950.08	950.08
	950.08	950.08

15.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares	As at March 31, 2023		As at March 31, 2022	
	Number	Amount	Number	Amount
Outstanding at the beginning of the year	95,00,800	950.08	1,05,00,800	1,050.08
Issued during the year	-	-	-	-
Reduced during the year	-	-	(10,00,000)	(100.00)
Bought Back during the year	-	-	-	-
Outstanding at the end of the period	95,00,800	950.08	95,00,800	950.08

Ovobel Foods Limited**Notes to the financial statements for the period ended March 31, 2023**

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

(₹ in Lakhs)**15.2 Terms/Rights attached to Equity Shares**

Each holder of the equity share, as reflected in the records of the Company as of the date of the shareholders meeting, is entitled to one vote in respect of each share held for all matters submitted to vote in the shareholders meeting.

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting.

In the event of liquidation of the company the holders of equity will be entitled to the remaining assets of the company, after distribution to all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

15.3 Equity shareholder holding more than 5 percent of equity shares along with the number of equity shares held at the beginning and at the end of the year are as given below:

Equity Shares	As at March 31, 2023		As at March 31, 2022	
	Number	Percentage	Number	Percentage
Sukanya Sathish	14,15,000	14.89%	14,15,000	14.89%
Channappa B G	-	0.00%	10,12,000	10.65%
M P Sathish Babu	17,33,100	18.24%	17,33,100	18.24%
M S Sharad	10,87,400	11.45%	10,38,600	10.93%
Syed Fahad	20,24,000	21.30%	20,24,000	21.30%
Hanumanthappa Rathnamma	10,12,000	10.65%	-	0.00%

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

Karnataka State Industrial and Infrastructure Development Corporation Ltd.

KSIIDC and Ministry of Food Processing Industries [MFPI] have transferred 5,00,000 Equity Shares in favour of the Company in terms of Buy back of share approved by KSIIDC vide approval dated 02 February 2015. The company has filed an application with the BSE on 17th March 2020 for the accounting treatment of the Share capital redeemed from KSIIDC & MFPI. The Company has received a letter from BSE on 18th March 2020 to enable filing the scheme with Hon'ble NCLT, which was duly filed. On 08th March 2022, the company has received the order from Hon'ble NCLT to confirm the reduction of share capital and also to enable the order to be delivered to the ROC within 30 days. The Company has filed with ROC on 07th April 2022.

15.4 The Company has not bought back any shares or issued shares for consideration other than cash or issued bonus shares during the five years immediately preceding the date of Balance Sheet (during the five years immediately preceding March 31st, 2022 - Nil Lakhs)

15.5 Shareholding of promoters:

Promoter Name	As at March 31, 2023		% Change during the year	As at March 31, 2022	
	Number	% of total shares		Number	% of total shares
Sukanya Sathish	14,15,000	14.89%	0%	14,15,000	14.89%
Channappa B G	-	0.00%	-100%	10,12,000	10.65%
M P Sathish Babu	17,33,100	18.24%	0%	17,33,100	18.24%
M S Sharad	10,87,400	11.45%	5%	10,38,600	10.93%
Syed Fahad	20,24,000	21.30%	0%	20,24,000	21.30%
Hanumanthappa Rathnamma	10,12,000	10.65%	100%	-	0.00%

16. Other equity

Particulars	As at March 31, 2023	As at March 31, 2022
Retained earnings		
Opening Balance	558.79	543.22
Profit/(Loss) attributable to owners of the Company	3,882.27	1.70
Other comprehensive income arising from remeasurement of defined benefit obligation (net of income tax)	8.65	13.87
Dividend distributed during the year	-	-
Closing Balance	4,449.71	558.79
Capital Reserve		
Opening balance	489.35	489.35
Addition to the reserve	-	-
Transfer/ utilization of reserve	-	-
Closing Balance	489.35	489.35
Investment In Equity Instruments fair valued through OCI		
Opening balance	2.11	2.33
Addition to the reserve	(0.22)	(0.30)
Transfer/ utilization of reserve	-	-
Income Tax effect on fair valuation of investment	0.05	0.08
Net surplus in the Investment valuation reserve	1.94	2.11
Total Reserves And Surplus	4,941.00	1,050.25

Ovobel Foods Limited**Notes to the financial statements for the period ended March 31, 2023**

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

(₹ in Lakhs)**17. Borrowings**

Particulars	As at March 31, 2023	As at March 31, 2022
From banks:		
Term loan for Vehicles	24.30	30.60
Term loan Covid 19	307.40	365.00
(-) Current maturity of long-term borrowings	(129.37)	(60.17)
Total	202.33	335.43

Security	Borrowing Amount	Interest rate	Repayment Terms
<u>Term loan for Vehicles</u> Charge on the vehicle purchased.	INR 36 Lakhs	Applicable RBI Repo Rate + Margin of 3.35% (reset at Monthly rests)	Repayable in 60 equal installments of INR. 71,880 (EMI)
<u>Additional Working Capital Term Loan (AWCTL)</u> Immovable property or any interest therein, book debts, movable property (not being pledge), stock materials, export bills, excluding creditors and personal guarantee of Mr. Sharad MS, Mr. M P Satish Babu and Mrs. Sukanya Satish.	INR 200 Lakhs INR 165 Lakhs	Applicable RBI Repo Rate + Margin of 3.75% (reset at Monthly rests); subject to maximum ROI of 7.50%p.a. Applicable RBI Repo Rate + Margin of 3.50% (reset at Monthly rests); subject to maximum ROI of 9.25%p.a.	Repayable in 35 equal installments of 5,60,000 and last installment of 4,00,000 from 12 months after date of first Repayable in 35 equal installments of 4,60,000 and last installment of 4,00,000 from 12 months after date of first disbursement.

18. Provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
- Provision for gratuity*	4.62	33.37
- Provision for leave benefits	57.75	58.01
Total	62.37	91.38

*Note : The Provision for Gratuity balance is shown net of Employee Gratuity Trust balance.

Ovobel Foods Limited**Notes to the financial statements for the period ended March 31, 2023**

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

(₹ in Lakhs)**19. Borrowings**

Particulars	As at March 31, 2023	As at March 31, 2022
From banks:		
Packing credit from banks (secured)	1,173.53	803.19
Bill discounting (secured)	1,366.66	1,497.07
Current maturity of long-term borrowings - Vehicle Loan and Covid Loan	129.37	60.17
Total	2,669.56	2,360.43

Security	Sanction Limit	Interest rate	Repayment Terms
<u>Packing Credit</u> Immovable property or any interest therein, book debts, movable property (not being pledge), stock materials, export bills, excluding creditors and personal guarantee of Mr. Sharad MS, Mr. M P Satish Babu and Mrs. Sukanya Satish.	Rs. 1,000 Lakhs	150 BPS above SOFR for applicable tenor depending upon the period of export credit.	Overall period of packing credit should not exceed 180 Days.
<u>Bill Discounting</u> Immovable property or any interest therein, book debts, movable property (not being pledge), stock materials, export bills, excluding creditors and personal guarantee of Mr. Sharad MS, Mr. M P Satish Babu and Mrs. Sukanya Satish.	Rs. 1,500 Lakhs	SOFR + SP + 1.5%	Not Applicable

Summary of deviations in statements of inventory filed by the Company with bank:

Month Ending	As per Books	As per Statement	Difference	Reason for Discrepancies
Jun-22	1,826.43	1,824.49	1.94	The discrepancy is due to inventory valuation on limited review for quarter ended 30th Jun 22.
Sep-22	1,419.59	1,414.03	5.56	The discrepancy is due to inventory valuation on limited review for quarter ended 30th Sep 22.
Mar-23	1,802.60	1,808.45	(5.85)	The discrepancy is due to inventory valuation on limited review for quarter ended 31st March 23.

20. Trade payables

Particulars	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro enterprises and small enterprises (Refer note 37)	33.87	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	234.26	287.81
Total	268.13	287.81

Note : The above disclosure is based upon the information available with the Company and is subject to confirmation from MSME vendors.

Ovobel Foods Limited**Notes to the financial statements for the period ended March 31, 2023**

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

(₹ in Lakhs)**Trade Payables ageing schedule**

Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of payment			
			Less than 1 year	1-2 years	2-3 years	More than 3 years
As at 31 March 2023						
Micro, small and medium enterprises	-	31.63	2.24	-	-	-
Others	109.75	95.05	24.38	5.08	-	-
Total	109.75	126.68	26.62	5.08	-	-
As at 31 March 2022						
Micro, small and medium enterprises	-	-	-	-	-	-
Others	93.16	170.87	23.78	-	-	-
Total	93.16	170.87	23.78	-	-	-

21. Other current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Advance from customers	659.53	458.37
Statutory Liabilities	21.22	22.06
Total	680.75	480.43

22. Provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
- Provision for leave benefits	3.28	2.64
- Provision for bonus	56.91	55.86
Total	60.19	58.50

23. Other current tax liabilities(Net)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for income tax(net of advance tax)	200.04	-
Total	200.04	-

Ovobel Foods Limited

Notes to the financial statements for the period ended March 31, 2023

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

24. Revenue from operations

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A. Revenue streams		
Sale of products	22,110.36	12,495.49
	22,110.36	12,495.49
Other operating revenue:		
Crushed Egg Shell sale	23.79	13.19
Total	22,134.15	12,508.68
B. Details of products sold:		
Egg-Powder	21,782.10	12,276.28
Egg-Frozen	328.26	219.21
Others	23.79	13.19
Total	22,134.15	12,508.68
C. Disaggregated Revenue from Contract with Customers		
Sale of products		
- India	2,251.07	639.95
- Other South East Asian countries	19,859.29	11,855.54
Total revenue from contract with customers	22,110.36	12,495.49
D. Reconciling the amount of revenue recognised with contract and total revenue:		
Total revenue from contract with customers	22,110.36	12,495.49
Adjustments:		
Other operating revenues:		
Crushed Egg Shell sale	23.79	13.19
Total	22,134.15	12,508.67
E. Contract balances:		
Trade receivables {Refer Note 9}	1,786.21	1,157.34
Contract liabilities (Advance from customers) {Refer Note 21}	659.53	458.37
Commission payable	22.62	29.28
Total	2,468.36	1,644.99
F. The Company's revenue from its major products are as follows:		
Egg-Powder	21,782.10	12,276.28
Egg-Frozen	328.26	219.21
Total	22,110.36	12,495.49

Ovobel Foods Limited

Notes to the financial statements for the period ended March 31, 2023

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

25. Other Income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Liabilities no longer required written back	1.40	20.21
Interest Income on:		
Bank Deposits	99.69	43.98
IT Refund	0.55	-
Debentures	27.81	-
Gain on account of foreign exchange fluctuations (net)	205.82	126.28
Dividend on investment	0.02	0.02
Other non - operating income	7.08	3.80
Total	342.37	194.29

26. Cost of materials consumed

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Raw materials at the beginning of the year	72.45	32.50
Add: Purchases & Direct Expenses	13882.33	10,384.37
Less: Raw materials at the end of the year	92.83	72.45
Total Cost of Raw Material Consumed	13,861.95	10,344.42
Details of Raw materials and components Excluding Direct Expenses		
Eggs	11463.44	8,925.52
Dirty Eggs	137.82	99.02
Pullet Eggs	208.71	225.33
Pigments, Yeast and Enzymes	106.65	86.66
	11,916.62	9,336.53

27. Changes in inventories of finished goods, stock-in-transit and work-in-progress

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Inventories at the end of the year		
Finished Goods, Stock in transit & Work-in progress,	1709.77	1,698.68
	1709.77	1,698.68
Inventories at the beginning of the year		
Finished Goods, Stock in transit & Work-in progress,	1698.68	1,216.68
	1,698.68	1,216.68
(Increase) or Decrease in Stock in Trade	(11.09)	(482.00)

Ovobel Foods Limited**Notes to the financial statements for the period ended March 31, 2023****(All amounts in Indian Rupees Lakhs, except as otherwise stated)****28. Employee benefits expense**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, Wages and other employee benefits	831.52	697.95
Gratuity {Refer Note 35}	23.62	18.49
Leave Encashment	30.13	28.96
Contribution to Provident Fund and other funds	23.62	23.47
Staff Welfare Expenses	61.36	53.26
Total	970.25	822.13

29. Finance Costs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest on Term Loan	33.58	14.95
Interest on Bill Discounting	68.37	22.63
Interest on Packing Credit	25.71	25.12
Interest - Lease Liability	0.77	0.58
Total	128.43	63.28

30. Depreciation and amortization expense

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation of property, plant and equipment	69.90	84.84
Depreciation of Right-of-use assets	5.68	5.40
Amortisation of intangible assets	1.09	-
Total	76.67	90.24

Ovobel Foods Limited**Notes to the financial statements for the period ended March 31, 2023****(All amounts in Indian Rupees Lakhs, except as otherwise stated)****31. Other expenses**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Power & fuel Consumption	415.27	336.30
Commission	487.23	276.19
Electricity Charges	280.28	239.51
Freight Charges	299.11	328.24
Spares and Consumables	160.66	130.09
Repairs & Maintenance	109.67	107.39
Legal and professional fees	45.89	89.48
Insurance	87.95	71.65
Office Maintenance expenses	47.40	39.96
ETP and Water Charges	34.43	55.06
Rates & taxes	58.11	53.89
Bank Charges	15.06	21.11
Travelling and Conveyance	37.33	12.87
Communication costs	14.29	10.15
Rent	0.22	-
Payment to auditors (Refer details below)	9.33	7.41
Donation and CSR Expenses {Refer Note 33}	2.97	13.56
Business Promotion	5.27	2.57
Loss on MEIS License Sale	44.51	-
Miscellaneous Expenses	35.75	57.04
Total	2,190.73	1,852.46

Payment to auditor: *	For the year ended March 31, 2023	For the year ended March 31, 2022
As Auditor		
Statutory Audit Fee	5.70	5.00
Tax Audit Fee and ITR	0.70	0.50
In other capacity:		
For Limited Review	2.40	1.80
For out of pocket expense	0.53	0.11
Total	9.33	7.41

** Excluding Goods and Services Tax*

Ovobel Foods Limited**Notes to the financial statements for the period ended March 31, 2023****(All amounts in Indian Rupees Lakhs, except as otherwise stated)****32. Earnings per Share (EPS)**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
The following reflects the profit and share data used in the basic and diluted EPS computation		
Basic & Diluted EPS		
Net Profit / (Loss) After tax	3,882.27	1.70
Less : Dividend on equity shares & tax thereon	-	-
Net profit / (loss) for calculation of EPS	3,882.27	1.70
Weighted Average No. of Equity Shares (Face Value of Rs.10/- Each)	95,00,800	95,00,800
Basic Earnings per share	40.86	0.02
Diluted Earnings per Share	40.86	0.02

33. Expenditure on corporate social responsibility

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. A CSR committee has been formed by the Company as per the Act. The funds are allocated to the activities which are specified in Schedule VII of the Companies Act, 2013.

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Gross amount required to be spent by the Company during the year	0.68	6.02
(b) Amount spent during the year on:		
i) Construction/acquisition of any asset	-	-
ii) On purpose other than (i) above	0.68	4.44
Total	0.68	4.44
(c) Amount unspent during current financial year	-	1.58
(d) Amount unspent during previous financial year*	8.63	7.05
(e) Reason for shortfall	The company has issued cheques which were not presented by the vendor	The company has issued cheques which were not presented by the vendor
(f) Nature of CSR activity	Promotion of health care, Education and eradicating Poverty	Promotion of health care, Education and eradicating Poverty
*During the current financial year the company has spent the aforesaid unspent CSR obligations pertaining to previous years		

Ovobel Foods Limited
Notes to the financial statements for the period ended March 31, 2023
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

34. Tax expense

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A. Amounts recognised in statement of profit and loss		
Current tax (a)		
Current year	1,303.93	-
Earlier Year	-0.34	
Deferred tax (b)		
Attributable to -		
Origination and reversal of temporary differences	73.72	10.74
Income tax expense reported in the statement of profit or loss (a+b)	1,377.32	10.74
Amounts recognised in other comprehensive income		
Deferred taxes		
Remeasurements of the defined benefit plans	(2.86)	(5.26)
Income tax reported in other comprehensive income	(2.86)	(5.26)
B. Bifurcation of the income tax recognised in other comprehensive income into		
Items that will not be reclassified to profit or loss	(2.86)	(5.26)
Items that will be reclassified to profit or loss	-	-
	(2.86)	(5.26)

C. Reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below:

Particulars	For the year ended March 31, 2023	As at March 31, 2022
Profit before tax	5,259.58	12.44
Effective tax rate	25.17%	27.82%
	1,323.84	3.46
Effect of:		
Non-deductible expenses	53.48	7.28
Others	-	-
Income tax expense	1,377.32	10.74

The company has adopted 115BAA in the financial year 2020-21. However due to discrepancy in the tax audit report in FY 2020-21 the company had to adopt normal tax rate on a conservative basis in the PY 21-22 for the computation of taxes.

D. Movement in temporary differences

Particulars	Balance as at 1st April 2022 Net deferred tax asset/(liabilities)	Recognised in profit or loss during 2022- 23	Recognised in OCI during 2022-23	Balance as at 31 March 2023 Net deferred tax asset/(liabilities)
Excess of depreciation on property, plant and equipment under Income Tax Act, 1961 over depreciation under Companies Act.	62.35	(14.90)	-	47.45
Provision for employee benefits	36.35	(6.34)	(2.91)	27.10
Right of use assets, net of lease liabilities (Ind AS 116)	0.17	3.23	-	3.40
On fair valuation of quoted investments	0.08	(0.08)	0.05	0.05
Brought forward losses	55.62	(55.62)	-	-
Total	154.57	(73.72)	(2.86)	78.00

Particulars	Balance as at 1 April 2021 Net deferred tax asset/(liabilities)	Recognised in profit or loss during 2021- 22	Recognised in OCI during 2021-22	Balance as at 31 March 2022 Net deferred tax asset/(liabilities)
Excess of depreciation on property, plant and equipment under Income Tax Act, 1961 over depreciation under Companies Act.	123.93	(61.58)	-	62.35
Provision for employee benefits	46.84	(5.15)	(5.34)	36.35
Right of use assets, net of lease liabilities (Ind AS 116)	(0.19)	0.36	-	0.17
On fair valuation of quoted investments	-	-	0.08	0.08
Brought forward losses	-	55.62	-	55.62
Total	170.58	(10.75)	(5.26)	154.57

Ovobel Foods Limited**Notes to the financial statements for the period ended March 31, 2023****(All amounts in Indian Rupees Lakhs, except as otherwise stated)****35. Disclosure under IND AS 19 on Employee benefits****a) Defined contribution plan**

The Company has defined contribution plan. Contributions are made to the Provident fund for employees at the specified rate of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
-Employer contribution to Provident fund, including admin charges	23.38	23.14
-Employer contribution to Employee state insurance scheme	0.16	0.28

b) Defined benefit plans

In accordance with the Payment of Gratuity Act, 1972 applicable for the Indian Companies, the company provides for a lumpsum payment to eligible employees at the termination or retirement of employment based on last drawn salary and years of employment with the company. The Gratuity fund is managed by third party fund managers. The Company sponsors funded defined benefit plans for qualifying employees. The defined benefit plans are administered by a separate Fund that is legally separated from the entity. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Company makes annual contribution to the Fund.

Liabilities with respect to these defined benefit plan are determined by actuarial valuation, performed by external actuary, at each Balance Sheet using projected unit credit method. These defined benefit plan exposes the company to actuarial risks such as liquidity risks, interest rate risk, demographic risk, regulatory risk and salary escalation risk.

Liquidity Risks

This is the risk that the Company is not able to meet the short term gratuity payouts. This may arise due to non availability of enough cash/cashequivalent to meet the liabilities or holding of illiquid assets not being sold in time.

Interest Risk

The plan exposes the Company to the risk off all in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Demographic Risks

The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Regulatory Risks

Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of Rs. 20,00,000).

Salary escalation Risk

The present value of the defined plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have bearing on the plan's liability.

The following table summarises the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the Balance Sheet for gratuity benefit.

A) Expense recognised in statement of Profit and Loss

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current service cost	17.76	16.23
Past Service cost	-	-
Net interest cost / (Income) on Net Defined Benefit Liability / (Asset)	2.24	2.26
Expense recognised in the Statement of Profit & Loss	20.00	18.49

Ovobel Foods Limited

Notes to the financial statements for the period ended March 31, 2023

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

B) Net Benefit Asset / Liability

Particulars	As at March 31, 2023	As at March 31, 2022
Present Value of obligation	324.62	303.96
Fair Value of plan assets	319.99	270.59
Net Asset / (Liability)	(4.61)	(33.37)

C) Changes in the present value of obligation:

Particulars	As at March 31, 2023	As at March 31, 2022
Opening defined benefit obligation	303.96	278.26
Interest cost	20.50	18.49
Current service cost	17.76	16.23
Benefits paid	(5.36)	(10.45)
Actuarial (gains)/losses on obligation	(12.25)	1.43
Past Service Cost	-	-
Closing defined benefit obligation	324.61	303.96

D) Other Comprehensive Income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Actuarial (gains) / losses		
Change in demographic assumptions	-	-
Change in financial assumptions	(21.10)	11.50
Experience variance (i.e. Actual experience vs assumptions)	8.84	(10.08)
Others	-	-
Return on plan assets, excluding amount recognised in net interest expense	0.69	(20.63)
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling	-	-
Components of defined benefit costs recognised in other comprehensive income	(11.56)	(19.21)

E) Changes in Plan assets:

Particulars	As at March 31, 2023	As at March 31, 2022
Plan assets at the beginning of the year	270.59	244.18
Income on Investment	18.25	16.23
Contributions	37.20	-
Benefits paid	(5.36)	(10.45)
Return on plan assets , excluding amount recognised in net interest expense	(0.69)	20.63
Plan assets at the end of the year	319.99	270.59

F) Summary of Assumptions used in determination of Gratuity Obligation:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Discount rate	7.45%	6.75%
Increase in compensation cost (Slab-wise)	8.00%	8.00%

Notes:

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other several factor such as supply and demand factor in the employment market. Employee turnover varies based on various age groups.

The expected future contribution during the next financial period is estimated as 22,24,345.

Ovobel Foods Limited

Notes to the financial statements for the period ended March 31, 2023

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

G) Sensitivity Analysis:

Particulars	As at March 31, 2023	As at March 31, 2022
Defined Benefit Obligation (Base)	324.61	303.96

Particulars	As at March 31, 2023		As at March 31, 2022	
	Decrease	Increase	Decrease	Increase
Discount Rate (-/+ 1%)	355.46	297.27	335.76	276.03
(% change compared to base due to sensitivity)	9.50%	-8.40%	10.50%	-9.20%
Salary Growth (-/+ 1%)	297.34	354.72	276.09	334.96
(% change compared to base due to sensitivity)	-8.40%	9.30%	-9.20%	10.20%
Attrition Rate (-/+ 50% of attrition rates)	326.20	323.16	307.78	300.67
(% change compared to base due to sensitivity)	0.50%	-0.40%	1.30%	-1.10%
Mortality rate (-/+ 10% of mortality rates)	324.67	324.57	304.07	303.85
(% change compared to base due to sensitivity)	0.00%	0.00%	0.00%	0.00%

H) The following payments are expected cash flows to the defined benefit plan in future years:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
1 year	11.18	9.77
2 to 5 years	56.78	44.20
6 to 10 years	240.31	193.88
More than 10 years	381.58	389.18
Total	689.85	637.03

Ovobel Foods Limited**Notes to the financial statements for the period ended March 31, 2023**

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

36. Related Party Disclosure**a) Names of Related Parties:**

Enterprises owned, controlled or significantly influenced by key management personnel or their relatives :	Relationship
Mr. M Satish Sharad	Director (from 11 Dec 2020); Managing Director (from 14 June 2021)
Mr. Syed Fahad	Director (from 11 Dec 2020) and Promoter holding more than 20% of Share Capital
Mr. C B Gurusiddappa	Director (from 11 Dec 2020) and Promoter holding more than 20% of Share Capital till
Ms. Priyanka Rajora	Director (from 11 Dec 2020)
Ms. Pooja Jain	Director (from 11 Dec 2020)
Mr. Sunil Varghese Paulose	Chief Financial Officer (from 14 June 2021)
Ms. Prakriti Sarvouy	Company Secretary (from 13 Jan 2021)
Ashraya farm	Entity in which Director is indirectly interested (from 11 Dec 2020)
Greenery Bio Ethanol Private Limited	Entity in which Director is indirectly interested (from 11 Dec 2020)
Rishabh Renewable Renergy Private Limited	Entity in which Director is indirectly interested (from 11 Dec 2020)
Greenery Bio Refineries Private Limited	Entity in which Director is indirectly interested (from 11 Dec 2020)
Greenery Renewable Source Private Limited	Entity in which Director is indirectly interested (from 11 Dec 2020)
Nelamangala Fresh Farms Private Limited	Entity in which Director is indirectly interested (from 11 Dec 2020)
International Furfural Private Limited	Entity in which Director is indirectly interested (from 11 Dec 2020)
Sunbright Solar Power Tech Private Limited	Entity in which Director is indirectly interested (from 11 Dec 2020)
Concrete Genie Realty Private Limited	Entity in which Director is indirectly interested (from 11 Dec 2020)
Greenery Solar Enterprise Private Limited	Entity in which Director is indirectly interested (from 11 Dec 2020)
Dover Pharmaceuticals Private Limited	Entity in which Director is indirectly interested (from 11 Dec 2020)
Greenery Yadgir Wind Enterprises Private Limited	Entity in which Director is indirectly interested (from 11 Dec 2020)
Greenery Bijapur Wind Enterprise Private Limited	Entity in which Director is indirectly interested (from 11 Dec 2020)
Greenery Wind Corporation Private Limited	Entity in which Director is indirectly interested (from 11 Dec 2020)
Rishabh Renergy Private Limited	Entity in which Director is indirectly interested (from 11 Dec 2020)
Bangalore Flora Private Limited	Entity in which Director is indirectly interested (from 11 Dec 2020)
Daizy Agrotech Pvt Ltd	Entity in which Director is indirectly interested (from 11 Dec 2020)
Sugnaneshwara Hydel Power Private Limited	Entity in which Director is indirectly interested (from 11 Dec 2020)
Kamal Farms India Private Limited	Entity in which Director is indirectly interested (from 11 Dec 2020)
Golden Hatcheries Private Limited	Entity in which Director is indirectly interested (from 11 Dec 2020)
Fortune APC Private Limited	Entity in which Director is indirectly interested (from 11 Dec 2020)
Big Bird Poultry Private Limited	Entity in which Director is indirectly interested (from 11 Dec 2020)
Daizy Agrotech Pvt Ltd	Entity in which Director is indirectly interested (from 11 Dec 2020)
Greenery Absolute Ethanol Private Limited	Entity in which Director is indirectly interested (from 11 Dec 2020)
Ovobel Foods Limited Employees' Gratuity Trust	Gratuity Trust

b) Transactions with related parties during the year:

Nature of Transaction / relationship	For the year ended March 31, 2023	For the year ended March 31, 2022
Purchase of Eggs and Freight Charges		
Ashraya Farms	2,729.82	2,240.19
Sales of Crushed Egg Shell Powder		
Ashraya Farms	10.32	4.61
Loans and Advances/ Reimbursement		
Mr. Mysore Satish Sharad	-	
Mr. Sunil Varghese Paulose	-	3.00
Payment of salaries, commission, perquisites and Director Sitting Fee		
Key Management Personnel		
Mr. Mysore Satish Sharad , Managing Director from 14 June 2021	60.00	47.99
Mr. Sunil Varghese Paulose, Chief Financial Officer from 14 June 2021	15.75	11.42
Ms. Prakriti Sarvouy, Company Secretary from 13 Jan 2021	1.84	1.84
Independent Directors		
Ms. Pooja Jain (from 11 Dec 2020)	1.00	1.00
Ms. Priyanka Rajora (from 11 Dec 2020)	1.00	1.00
Mr. Bharath Venkatesh (from 11 Dec 2020; till 28 July 2021)	-	0.25
Investment in Debentures		
Greenery Bio Refineries Private Limited	900.00	-
Interest Accrued on Debentures		
Greenery Bio Refineries Private Limited	27.81	
Gratuity Contribution		
Ovobel Foods Limited Employees' Gratuity Trust	37.20	-

All related party transactions were entered at arm's length basis and in the ordinary course of business. There are no materially significant related party transactions made by the company with Promoters, Directors or Key Managerial Personnel which may have potential with the interest of company at large.

*The payment to Key Managerial Personnel is excluding Gratuity , Compensated absences and other post retirement benefit as a separate valuation is not available for the same.

Ovobel Foods Limited**Notes to the financial statements for the period ended March 31, 2023**

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

c) Amount due to/from related parties:

Nature of Transaction / relationship	As at March 31, 2023	As at March 31, 2022
Account payables		
Ashraya Farms	-	5.50
Ms. Pooja Jain	0.23	0.23
Ms. Priyanka Rajora	0.23	0.23
Mr Sharad MS-reimbursement payable	3.76	-
Receivables		
Ovobel Foods Limited Employees' Gratuity Trust	319.99	270.59
Interest on Debentures	27.81	-

Notes:

- 1) Related party relationship is as identified by the company on the basis of information available with them and relied upon by the auditors.
2) No amounts in respect of related parties have been written off/back or provided for during the year.

37. Details of dues to MSMED as defined under the MSMED Act, 2006

As per the information available with the Company and as certified by the management, the dues outstanding including interest as on 31st March 2023 to Small and Micro enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 stand as below:

Particulars	As at March 31, 2023	As at March 31, 2022
The principal and interest due thereon remaining unpaid to any supplier/service provider as at the end of each accounting year:		
Principal amount due to Micro and Small Enterprises	33.87	-
Amount of interest accrued and remaining unpaid at the end of accounting year	-	-
The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, (the Act) along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the said Act	-	-
The amount of interest accrued and remaining unpaid at the end of each year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-
Total	33.87	-

38. Operating Segments

Export Sales	As at March 31, 2023	As at March 31, 2022
Asia	22,110.36	11,816.13
South Africa	-	39.41
Total	22,110.36	11,855.54

The Management reviews the operations of the Company as a Food Industry, which is considered to be the only reportable segment by the management. Hence, there are no additional disclosures to be provided under Ind AS 108 'Operating Segments'.

39. Unhedged Currency Exposure

The Company has outstanding foreign currency exposure amounting as below -

Particulars	As at March 31, 2023(USD)	As at March 31, 2023(INR)	As at March 31, 2022(USD)	As at March 31, 2022(INR)
Trade receivable	3.87	318.15	14.59	1,080.82
Borrowing	14.27	1,173.53	30.56	2,300.26
Trade payable	0.49	39.65	0.27	29.28

40. Contingent Liabilities

As at March 31, 2023, there are certain cases filed by past employees of the company at different forums and are at various stages of resolutions. Two of the cases are pending before the High Court of Karnataka and other 10 cases are pending before various labour courts. The management of the company believes that the outcome of the cases does not have any impact on company's financial position or operations.

Ovobel Foods Limited
Notes to the financial statements for the period ended March 31, 2023

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

41. Financial instruments- accounting classification and fair value measurement
A. Financial instruments by category

Particulars	As at March 31, 2023			As at March 31, 2022		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets						
Loans	-	-	3.23	-	-	4.97
Trade receivable	-	-	1,786.21	-	-	1,157.34
Cash and cash equivalents	-	-	604.30	-	-	589.31
Deposit account - Maturity within 12 months	-	-	4,194.12	-	-	906.48
Investment in equity instruments (quoted)	-	3.88	-	-	4.10	-
Investment in Debt instruments	-	-	900.00	-	-	-
Other financial assets	-	-	71.07	-	-	41.75
Total assets	-	3.88	7,558.94	-	4.10	2,699.85
Financial liabilities						
Borrowings	-	-	2,871.89	-	-	2,695.86
Trade payables	-	-	268.13	-	-	287.81
Lease Liability	-	-	13.49	-	-	2.59
Total liabilities	-	-	3,153.51	-	-	2,986.26

B. Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The Company has not disclosed the fair value of financial instruments such as other non current financial assets, trade receivables, cash and cash equivalents, bank balances, other current financial assets, loans, borrowings, other non current financial liabilities, trade payables and other current financial liabilities because their carrying amounts are a reasonable approximation of fair value.

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on recurring basis as at March 31, 2023 and March 31, 2022.

Quantitative disclosures fair value measurement hierarchy for financial assets as at March 31, 2023:

Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value: FVTOCI financial investments					
Investment in equity instruments (unquoted)	31-Mar-23	3.88	3.88	-	-
<i>There have been no transfers among Level 1, Level 2 and Level 3 during the period.</i>					

Quantitative disclosures fair value measurement hierarchy for financial assets as at March 31, 2022:

Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value: FVTOCI financial investments					
Investment in equity instruments (unquoted)	31-Mar-22	4.10	4.10	-	-
<i>There have been no transfers among Level 1, Level 2 and Level 3 during the period.</i>					

Ovobel Foods Limited**Notes to the financial statements for the period ended March 31, 2023**

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

42. Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company to support its operations. The Company's principal financial assets include investments, cash and cash equivalents and security deposits that derive directly from its operations.

The Company is exposed to credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

a. Credit risk

Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Financial Instrument and Cash Deposit

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company's Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments. The Company's maximum exposure to credit risk for the components of the statement of financial position at 31 March 2023 and 2022 is the carrying amounts.

b. Liquidity risk

The table below summarises the maturity profile of the financial liabilities based on contractual undiscounted payments.

Particulars	On demand	< 1 year	1 to 2 years	2 - 3 years	> 3 years	Total
Year ended						
31-Mar-23						
Borrowing	2,540.19	129.37	130.10	72.23	-	2,871.89
Trade and other payables	-	236.43	26.62	5.08	-	268.13
Lease Liability	-	13.49	-	-	-	13.49
Total	2,540.19	379.29	156.72	77.31	-	3,153.50
Particulars	On demand	< 1 year	1 to 2 years	2 - 3 years	> 3 years	Total
Year ended						
31-Mar-22						
Borrowing	2,300.26	60.17	129.55	130.10	75.78	2,695.86
Trade and other payables	-	287.81	-	-	-	287.81
Lease Liability	-	2.59	-	-	-	2.59
Total	2,300.26	350.57	129.55	130.10	75.78	2,986.26

43. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maintain strong credit rating and healthy capital ratios in order to support its business and maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the net debt equivalent to net worth. Hence, there will not be any effective capital gearing. The Company includes within net debt, borrowings, and other payables, less cash and cash equivalents.

Particulars	As at March 31, 2023	As at March 31, 2022
Gross Debt	2,871.89	2,695.86
Less : Cash and cash equivalents and other bank balances	(4,798.42)	(1,495.79)
Net Debt (A)	(1,926.53)	1,200.07
Total Equity (B)	5,891.08	2,000.33
Debt ratio (A / B)	(0.33)	0.60

* Gross debt includes non-current borrowings, current borrowings, current maturities of non-current borrowings and accrued interest.

44 Cash and non - cash changes in liabilities arising from financing activities

	1st April 2022	Cash Flow	Non Cash Changes Addition to lease liabilities	Foreign exchange movements	31st March 2023
Borrowings(Non Current)	335.43	-133.11	-	-	202.33
Borrowings(Current)	2360.43	309.14	-	-	2669.56
Lease Liabilities(Non Current)	-	-	7.79	-	7.79
Lease Liabilities(Current)	2.59	-6.34	9.45	-	5.70
Cash and non - cash changes in liabilities arising from financing activities					
	1st April 2021	Cash Flow	Non Cash Changes Addition to lease liabilities	Foreign exchange movements	31st March 2022
Borrowings(Current)	30.35	305.09	-	-	335.43
Borrowings(Non Current)	-	2,360.43	-	-	2,360.43
Lease Liabilities(Non Current)	2.18	-2.18	-	-	-
Lease Liabilities(Current)	5.54	-5.72	2.77	-	2.59

Ovobel Foods Limited
Notes to the financial statements for the period ended March 31, 2023
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

45. Ratios

Particulars	Numerator	Denominator	31-Mar-23	31-Mar-22	% Variance	Reason for Variance
(a) Current Ratio	Current assets	Current liabilities	2.24	1.60	39.75%	The working capital ratio due to increase in current assets. The reason for increase iws due to increase in trade receivables 628.86 Lakhs and cash and cash equivalents 3288 Lakhs.
(b) Debt-Equity Ratio	Total Debt (Long term and Short term borrowings)	Shareholders' equity	0.49	1.35	-63.83%	During the year the company has not availed any new loans and due to repayment of loans the debt equity ratio has come down.
(c) Debt Service Coverage Ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses+Interest	Debt service = Interest & Lease Payments + Principal Repayments	0.18	0.01	2114.05%	Operation levels have increased for the year 2022-23 as compared to the previous year. Though the interest cost for the year 2022-23 has increased due to increase in bill discounting by 45 Lakhs due to change in SOFR rate from 2.5% to 5.05% but due to significant higher profits in current year the debt service coeage ratio is better than previous year.
(d) Return on Equity Ratio	Net Profits after taxes	Average Shareholders equity	0.98	0.00	118538.60%	Operation levels have increased for the year 2022-23 as compared to the previous year. The company has significant margins on sales compared to previous year.
(e) Inventory turnover ratio	Cost of Goods Sold	Average Inventory	7.75	6.53	18.69%	NA
(f) Trade Receivables turnover ratio	Net credit sales = Gross credit sales - sales return	Average trade receivables	15.04	11.92	26.18%	Trade Receivables turnover ratio has increased due to increase in sales during FY 22-23 and the average receivables have come down due to better realisation of dues from customers.
(g) Trade payables turnover ratio	Net credit purchases = Gross credit purchases - purchase return	Average trade payables	57.71	39.40	46.45%	Payable turnover ratio have increased due to increase in production and cost of production and payment terms being met as per due dates as compared to previous year.
(h) Net capital turnover ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	4.59	6.50	-29.32%	Operation levels have increased for the year 2022-23 as compared to the previous year and working capital ratio has increased for the year as compared to previous year.
(i) Net profit %	Net Profit	Net sales = Total sales - sales return	17.54%	0.01%	129092.44%	The profits for the current year have increased to due significant increase in sales price as compared to last year with cost remaining more or less at the same level.
(j) Return on Capital employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	61.50%	1.61%	3714.27%	Operation levels have increased for the year 2022-23 as compared to the previous year.
(k) Return on investment	Income	Investment	-0.02%	-7.33%	-99.67%	Variance due to the fair value fluctuation of the investment and increase in investment due to new investment in debentures of another body corporate amounting to 9Cr.

Ovobel Foods Limited**Notes to the financial statements for the period ended March 31, 2023**

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

46. KSIIDC financial assistance- Loan & Equity Shares

During the year 2014-15, the Company had, pursuant to the directions of BIFR, entered into a scheme of settlement of the dues of MFPI and KSIIDC, as well as the buy back of 10 lakhs equity shares subscribed by them, in terms of their sanction letters dated 02 February 2015, duly depositing the settlement amounts Rs. 824 lakhs, pending approval from BIFR. Further, during the earlier years, following to the repayment of SICA, KSIIDC had accepted the said scheme of settlement and have issued no due certificate and also released the equity shares to the company. A similar approval and issue of no due certificate has been received from MFPI as well. Consequently, the Company has written back its excess provisions towards accrued interest to KSIIDC and MFPI amounting to Rs. 1,041 lakhs and Rs. 785.01 lakhs and has approached CBDT/ SEBI seeking extension of the reliefs/ waivers as envisaged in the Rehabilitation Scheme. The company has filed an application with the BSE on 17th March 2020 for the accounting treatment of the Share capital redeemed from KSIIDC & MFPI. The Company has received a letter from BSE on 18th March 2020 to enable filing the scheme with Hon'ble NCLT, which was duly filed. On 08th March 2022, the company has received the order from Hon'ble NCLT to confirm the reduction of share capital and also to enable the order to be delivered to the ROC within 30 days. The Company has filed with ROC on 07th April 2022. Further the company has received an intimation from BSE for reduction of share capital on 2nd May 2023.

47. Code on Social Security, 2020

The Code on Social Security, 2020 ('the code') relating to employee benefits during employment and post employment benefits and received Indian parliament's approval and presidential assent in September 2020. The code has been published in the gazette of India and subsequently, on November 13, 2020, draft rules have been published and stakeholders' suggestions for invited. However, the date on which the code will come into effect has not been notified. The company will assess the impact of the code when it comes to effect and will record any related impact in the period the code becomes effective.

48. Other Statutory Information

- i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- ii) The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies ('ROC') beyond the statutory period, other than those disclosed below:

a) Charges yet to be registered by the company:

Charge Holder Name	Amount (in Lakhs)	Nature of Charge
Bank of Baroda (Vijaya Bank)	3.00	Lien on Fixed Deposit

b) Satisfaction of charges yet to be registered by the company:

Charge Holder Name	Date of Creation	Date of Modification	Charge ID	Amount (in Lakhs)
Bank of Baroda (Vijaya Bank)	29-Apr-97	NA	90197205	350.00
Bank of Baroda (Vijaya Bank)	29-Mar-97	22-Dec-06	90197193	400.00
Andhra Bank	08-Dec-95	NA	90198863	135.00

Ovobel Foods Limited

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(All amounts in Indian Rupees Lakhs, except as otherwise stated)

iii) The Company has not been declared as wilful defaulter by any bank or financial institutions or other lenders.

iv) The title deeds of all of the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.

v) During the year, the Company has not revalued its Property, Plant and Equipments.

vi) The Company has no layers as prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

vii) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

viii) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

ix) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

x) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

xi) The Company do not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

The accompanying notes form an integral part of the financial statements.

As per our report of even date attached

For ASA & Associates LLP

Chartered Accountants

Registration No: 009571N/N500006

Vinay K S

Partner

Membership No. 223085

UDIN: 23223085BGVTXI9550

Place : Bengaluru

Date: 30th May 2023

For and on behalf of the Board of Directors

Mysore Satish Sharad

Managing Director

DIN: 08987445

Place : Bengaluru

Date: 30th May 2023

Syed Fahad

Director

DIN: 01865406

Place : Bengaluru

Date: 30th May 2023

Sunil Varghese P

Chief Financial officer

Place : Bengaluru

Date: 30th May 2023

Prakriti Sarvouy

Company Secretary

Membership No. : 21962

Place : Bengaluru

Date: 30th May 2023

Nomination and Remuneration Policy

PREFACE

We, at Ovobel Foods Limited ("the Company") have always considered our human resources as the levers of the organisation's growth. The Company has been built on the commitment, dedication, hard work and loyalty of its employees. The Board is committed to transparent, fair and sound policies for determining appropriate remuneration at all levels of the Company.

As we are growing, personal and professional development of the directors and employees becomes important to motivate them as also to ensure efficient functioning of the organization.

VISION

Effective people management for creating competitive advantage for all stakeholders and creating a transparent system for determining the appropriate level of remuneration to Directors, Key Managerial Personnel (KMP) and other senior management employees.

OBJECTIVE

- To attract, nurture and retain the best talent by inculcating a culture of learning, performing, developing creativity and teamwork;
- To ensure reasonable remuneration to the Directors, KMP and other employees so as to motivate them of the quality required to run the Company successfully;
- To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

MONITORING OF THE POLICY

The implementation of the Nomination and Remuneration Policy shall be monitored by the Nomination and Remuneration committee of the Board constituted as per the provisions of the

Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

PURPOSE OF THE COMMITTEE

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- 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.
- Recommend to the board, all remuneration, in whatever form, payable to senior management.

ROLES AND RESPONSIBILITIES OF THE COMMITTEE

Nomination

The Nomination and Remuneration Committee shall identify potential candidates with appropriate qualification, knowledge, expertise and experience.

When considering candidates, the Committee strives to achieve a balance of knowledge, experience and accomplishment such that the Company reflects a diversity of talent, age, skill, expertise and perspective. While evaluating a Director, KMP or other senior management employees for recommending to the Board, the Committee shall take into consideration various criteria that are in the best interests of the Company and its stakeholders, some of which are given hereunder:

- Educational qualifications and experience of the candidate so as to be in terms with the applicable laws, rules, regulations as laid down in the Companies Act, 2013, listing regulations and other applicable acts;

- Willingness of a person to act as such;
- The candidate should reflect the highest standards of integrity, ethics and character, and value such qualities in other;
- The candidate should have the ability to devote sufficient time to the business and affairs of the Company;
- Demonstrate the capacity and desire to represent, fairly and equally, the best interests of the Company's stockholders as a whole;
- Access the present as well as future needs of the Company. Further, while nominating Directors, it must be ensured that the Board is structured in a way that:
 - it has proper understanding of and expertise to deal with the present as well as emerging business issues
 - exercises independent judgement
 - encourage enhanced performance of the business as a whole.

Accordingly, the process of the Committee for identifying nominees shall reflect the Company's practice of re-nominating incumbent directors and employees who continue to satisfy the Committee's criteria, whom the Committee believes to continue to make important contributions towards the growth, reputation and well being of the Company as a whole and who consents to continue their service with the Company.

Further, in addition to the above criteria, the appointment of Independent Directors of the Company shall also be guided by the following Terms and Conditions in compliance with schedule IV to the Companies Act, 2013 which is enclosed as Annexure 'A' to this Policy.

- The appointment of Independent Directors shall be independent of the company management. While selecting Independent Directors the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively;

- The appointment of Independent Directors shall be approved at the meeting of the Shareholders;
- The appointment of Independent Directors shall be formalised through a letter of appointment stating the requisite details as per the requirements of schedule IV of the Companies Act, 2013;
- The Independent Directors shall be appointed for a fixed term of upto five years or such lesser term as may be decided mutually between the Board and the Directors and shall be eligible for re-appointment for a further term of upto five years on passing a special resolution by the Company. Further, no Independent Director shall hold office for more than two consecutive terms. However, they shall be eligible for re-appointment after the expiration of cooling period of three years of ceasing to become an Independent Director;
- The Independent Directors shall be responsible for complying with the duties as specified under section 166 of the Companies Act, 2013. Further, their liabilities shall also be limited to the respective provisions of the Companies Act, 2013 and rules made there under;
- Independent Directors shall be expected to ensure compliance with the Code of Conduct as laid down by the Company;
- Independent Directors shall be paid sitting fees subject to the provisions of the Companies Act, 2013 and rules made there under as well as the terms of this policy.

Remuneration

The committee shall:

- meet at least once in a year.
- ensure that the quorum of either two members or one third of the members of the committee, whichever is greater, including at least one independent director is present.
- ensure that the compensation to the Board, KMP and other senior management employees is reasonable and sufficient to attract, retain and motivate quality directors and KMPs;
- approve any significant changes in the executive director's contract;

- determine payment of sitting fees for directors for attending meetings of the Board;
- ensure that there is balance between fixed pay and incentive based pay (if any) in the remuneration to be paid to the Directors, KMPs and other senior management employees.

Director Remuneration

The Company may pay remuneration by way of salary, perquisites and allowances (fixed component) and commission (variable component) to Managing and Whole-time Directors. Salary shall be paid within the range approved by the Shareholders. Commission, if any, shall be calculated with reference to net profits of the Company in a particular financial year and shall be determined by the Board of Directors at the end of the financial year based on the recommendations of the Nomination and Remuneration Committee, subject to overall ceilings stipulated in Sections 197 read with Schedule V of the Companies Act, 2013.

Non-executive Director Remuneration

The non-executive directors shall be paid sitting fees for attending meetings of the Board based on the limits prescribed under the Companies Act, 2013 and as approved by the Board of Directors.

Senior Management Remuneration

The salary of other senior management employees shall be competitive and based on the individual's qualification, experience, responsibilities and performance and shall be governed by the HR policy of the Company.

Determining criteria for performance evaluation of the Board and Individual Directors

The Board shall evaluate its own performance based on the following criteria:

- Composition of the Board in compliance with the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ;
- Frequency of meetings held during the year and matters taken up thereat;
- Ability of the Board to take uniform decisions for the betterment of the Company taking into consideration the individual views of all the Directors comprising it;
- Its wisdom and judgement to help the Company prosper;
- Ability of the Board to evaluate risk and devise suitable measures to mitigate them etc.

The Board shall evaluate the performance of individual directors (including independent directors) based on the following criteria:

- Attendance of the individual directors and level of participation at the meetings of the Board and committees thereof and the general meetings;
- Contribution in long term strategic planning;
- Professional conduct and independence;
- Level of commitment etc.

The above list is illustrative.

Such performance evaluation of Directors (including independent directors) shall be done by the entire Board of Directors (excluding the director being evaluated).

In case of Independent Director, the Board shall determine whether to extend or continue the term of appointment of the Independent Director on the basis of the report of performance evaluation carried by the Board.

In addition to the above, the Board shall also evaluate the performance of various Board level Committees.

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