

# Directors' Report

To,  
The Members,

Your Directors have pleasure in presenting their 31st Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2021.

## 1. Financial Performance of the Company (Standalone)

Particulars	₹ In Lakhs	
	Financial Year (2020-21)	Financial Year (2019-20)
Gross Income	232636.26	237778.53
Profit Before Finance Cost, Depreciation & Amortization	20525.03	19920.00
Finance Cost	3363.67	6009.91
Gross Profit	47428.70	43969.90
Provision for Depreciation	2586.48	2645.20
Profit Before Tax	14574.88	11264.89
Profit After Tax	10648.10	8516.26
Balance of Profit brought forward	40758.13	34820.38
Balance available for appropriation	48200.11	40758.13
Proposed Dividend on Equity Shares	3198.46	2078.99
Tax on proposed Dividend	-	427.34
Transfer to General Reserve	NIL	NIL
Surplus carried to Balance Sheet	48200.11	40758.13

## 2. Company's working during the year

Our **Consolidated** revenue for FY21 was up by 12.3% at ₹ 4,686 crore vs. ₹ 4,173 crore last year on account of increased revenue from US, Europe and Organic business.

The Gross Margins expanded by 232 bps to 31.1% due to change in product mix and lower input cost.

The EBITDA margins also expanded by 58 bps to 12.8% vs. 12.2% last year and was up by 17.6% from ₹ 509 to ₹ 598 crore.

The Company has generated significant free cash flows amounting to ₹ 345 crore, driven by strong performance in FY21 that led to decline in overall debt by 205 crore. This further led to a fall in the finance cost by 33.9% and the overall fund cost was down by 242 bps from 7.5% to 5.1%.

The Profit Before Tax margins\* also expanded by 176 bps to 8.6% to 6.8% last year and was up by 41.2% from ₹ 285 to ₹ 402 crore.

\*Profit Before share of loss of Investments accounted for using equity method, tax and exceptional items.

The Profit After Tax increased by 45% to ₹ 289 crore while the margins expanded by 139 bps to 6.2%. The Earnings per Share was also up by 48.5% to ₹ 8.57 per share vs. ₹ 5.77.

The Company has also taken efforts towards the strengthening the Balance Sheet of the Company. ROCE improved by 193 bps to 15.6%. The normalized ROCE on account of funds blocked in fire insurance claim is 16.3%. Return on Equity improved by 283 bps to 15.3%. The debt-equity ratio improved from 0.91 to 0.66 times as the overall debt of the Company was down by ₹ 205 crore to ₹ 1,253 crore on Y-o-Y basis. This is to reiterate that majority of our debt is working capital debt which is required because of the nature of our business and our focus is to maintain the debt to EBITDA ratio between 2 to 3 times which stood at 2.1. Current ratio has also improved significantly to 1.70 from 1.52 last year.

Our **Standalone** revenue for FY21 was down by 2.2% at ₹ 2,326 crore vs. ₹ 2,378 crore last year.

The Gross Margins expanded by 190 bps to 20.4% due to change in product mix and lower input cost.

The EBITDA margins also expanded by 45 bps to 8.8% vs. 8.4% last year and was up by 3% from ₹ 199 to ₹ 205 crore.

Driven by strong performance in FY21 led to decline in overall debt by 185 crore on Standalone basis. This further led to a fall in the finance cost by 44% and the overall fund cost was down from 9.10% to 7.5%.

The Profit before Tax margins also expanded by 153 bps to 6.3% vs. 4.7% last year and was up by 29.4% from ₹ 113 crore to ₹ 146 crore.

The Profit after Tax increased by 25% to ₹ 106 crore while the margins expanded by 100 bps to 4.6%. The Earnings per Share was also up by 25% to ₹ 3.33 per share vs. ₹ 2.66.

The Company has also taken efforts towards the strengthening the Balance Sheet of the Company. ROCE improved by 130 bps to 13.3%. The debt-equity ratio improved from 0.65 to 0.39 times as the overall debt of the Company was down by ₹ 185 crore to ₹ 380 crore on Y-o-Y basis. The Debt to EBITDA ratio stood at 1.9. Current ratio has also improved significantly to 1.99 from 1.68 last year.

## 3. Highlights of performance of subsidiaries, associates, joint ventures and their contribution to the overall performance of the Company.

A separate statement containing salient features of the financial statements of all subsidiaries, associate Companies/ Joint Ventures of your Company forms part of this report.

The audited financial statements of the subsidiary Companies are available on Company's website.

Your Company has approved a policy for determining material subsidiaries and the same is available on Company's website <http://www.ltgroup.in/pdf/LT-Foods-Material-Subsidiary-Policy-2021.pdf>.

## 4 Change in the nature of business, if any

During the year, there has been no major change in the nature of business.

## 5. Dividend

During the year, the Company has paid Re 1 per share as interim dividend for the financial year 2020-21 and decided to retain back the remaining earnings.

## 6. Reserves

During the financial year, there was no amount proposed to be transferred to the Reserves.

## 7. Share Capital

There was no change in share capital of the Company during the financial year 2020-21.

## 8. Details of Directors and Key Managerial Personnel Appointed and Resigned during the year

Mrs. Ambika Sharma, was appointed as Additional Director (in Independent Director category) of the Company through circular resolution passed on 10th March 2021. She is Managing Director for India at the U.S.-India Business Council. Prior to this position, she was the Director General – International at the Federation for Indian Chambers of Commerce and Industry (FICCI). During her three-decade career, she led a number of innovative and impactful initiatives at FICCI across the Americas, Europe, Asia Pacific and Oceania, Africa and Foreign Trade Policy Division teams.

With regard to integrity, expertise and experience of the Independent Directors appointed/re-appointed during the Financial year 2020- 21, the Board of Directors have taken on record the declarations and confirmations submitted by the independent Directors and is of the opinion that all the Independent Directors are persons of integrity and possesses relevant expertise and experience and their continued association as Directors will be of immense benefit and in the best interest of the Company. With regard to proficiency of the Independent Directors, ascertained from the online proficiency self-assessment test conducted by the institute, as notified under Sub-Section (1) of Section 150 of the Act, the Board of Directors have taken on record the declarations submitted by Independent Directors that they are exempt from appearing in the test or that they will comply with the applicable law within the prescribed time.

## 9. Particulars of Employees & Employee Remuneration

Pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016, The information required is as follows.

### Managerial Remuneration:

As per rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the employees who draw salary exceeding the limit of ₹ 1.02 crore is as follows:

1. Ratio of remuneration of each Director to median remuneration of employees	
Vijay Kumar Arora	1:50
Ashwani Kumar Arora	1:50
Surinder Kumar Arora	
2. Percentage increase in remuneration of each Director and KMPs	
Vijay Kumar Arora	Nil
Surinder Kumar Arora	NA
Ashwani Kumar Arora	Nil
Monika Chawla Jaggia	5%
3. Percentage increase in the median remuneration of employees	7%
4. Number of permanent employees (on Standalone basis)	1090
5. Average percentile increase in salary of employees, other than managerial personnel, comparison with percentile increase in managerial remuneration and justification	
Managerial Increase	5%
Non Managerial Increase	9%
6. Affirmation that the remuneration is as per the remuneration policy of the Company	Yes

As per rule 5(2) and (3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the employees who draw salary exceeding the limits of ₹ 1.02 crore is as follows:

Name	Designation	Remuneration (in crore)	Nature of employment	Qualification	Experience	Age	Last employment	% of shares held
Vijay Kumar Arora	Managing Director	2.15*	Permanent	B.Sc.	45	63	NA	7.19
Ashwani Kumar Arora	Managing Director	2.11	Permanent	B COM	33	54	NA	7.19

\* Mr. Vijay Kumar Arora was also paid ₹ 1.1 crore from LT Foods Europe B.V during last year.

## 10. Board Meetings

During the Financial Year, four Board Meetings were held, on 28th May, 2020, 30th July 2020, 30th October 2020 and 29th January 2021.

A resolution was passed through circulation on 10th March 2021.

The details of the same is given in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

## 11. Performance Evaluation

In pursuance of Section 178 of the Companies Act, 2013 read with Regulation 4(2), 17(10) and 19(4) read with Schedule II Part D of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 and Secretarial Standards-I, the Nomination and Remuneration Committee has framed the evaluation process and the performance evaluation of Independent Directors, Executive Directors and of the Board as a whole as well as working of its Committees has been carried out during the financial year 2020-21.

The Independent Directors of the Company met separately on 29th January 2021 without the presence of Non-Independent Directors and inter-alia reviewed the performance of the members of management, Non-Independent Directors, Board as a whole performance of the Chairman of the Company and the Committees after taking into consideration the views of Executive and Non-Executive Directors.

In compliance with the provisions of SEBI Listing Regulations, the Board of Directors have also carried out evaluation of every Independent Director's performance during the year. The Board members had submitted to Nomination and Remuneration Committee, their response on a scale from 5 to 1 (Excellent to Performance Needs Improvement) for evaluating the entire Board, Committees including Chairman of the Board.

It was further acknowledged that every individual Member and Committee of the Board has contributed best in the growth of the organization.

It was noted that the Board as a whole is functioning as a cohesive body which is well engaged with different perspectives. The Board has a right balance of discussion between strategic and operational issues. The Board Members from different backgrounds bring about different deliberations in the Board and Committee Meetings are enriched by such diversity. The Board is actively engaged on the key issue concerning strategy, talent, risk and governance. It was also noted that the Committees are functioning well and besides the Committee's terms of reference as mandated by law, important issues are brought up and discussed in the Committees & Board was updated on the same. The Board also noted that given the changing external environment, more frequent sessions on strategy with emphasis on sustainability may be considered. There are specific areas that have been identified as part of the exercise for the Board to engage itself with and the same will be acted upon.

## 12. Statement of Declaration by an Independent Director(s) and re- appointment, if any

All the Independent Directors have given their Independency declaration as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

## 13. Remuneration Policy

The Company has framed the Remuneration Policy in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules and Regulation 19 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015. The Remuneration policy of the Company is in compliance of Section 178 (4) of the Companies Act, 2013. The Remuneration policy can

be referred to the weblink <http://www.ltgroup.in/pdf/LT-Foods-Remuneration-Policy.pdf>

The salient features of Remuneration policy are as follows:

- To formulate a criteria for determining qualifications, positive attributes and independence of a Director
- To recommend to the Board, the appointment and removal of Senior Management
- To carry out evaluation of Director's performance and recommend to the Board appointment/ removal based on his/ her performance.
- To recommend to the Board on (i) policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management and (ii) Executive Directors' remuneration and incentive, if any.
- To make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;
- Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks,
- To devise a policy on Board diversity
- To develop a succession plan for the Board with segregated succession readiness of the management council and executive.

## 14. Details of Subsidiary/Joint Ventures/ Associate Companies

Pursuant to sub-section (3) of Section 129 of the Act, the statement containing salient features of the financial statement of Company's subsidiaries, associate or joint venture is given as Annexure-V. Performance and financial position of each of the subsidiaries, associates and joint venture companies is included in the Consolidated financial statements.

Further, the Annual Accounts and related documents of the subsidiary Companies shall be kept open for inspection at the Registered & Corporate Office of the Company. The Company shall also make available copy thereof upon specific request by any member of the Company interested in obtaining the same. Further, the Consolidated Financial Statements presented by the Company in this Annual Report include the financial information of its subsidiaries.



**Name of the Companies, which became or have ceased to become as Subsidiaries/Joint Ventures/ Associates Companies during the year**

No new Company, Subsidiary, Joint Venture or Associate was incorporated during the year.

SDC Foods India Limited, L T International Limited, Fresco Fruits N Nuts Private Limited, Ecolife LLC and Universal Traders ceased to be the subsidiaries of the Company during the year.

The Company has filed strike off application for both SDC Foods India Limited and Fresco Fruits N Nuts Private Limited during the year.

**15. Auditors**

M/s MSKA & Associates were appointed as Statutory Auditors in 30th Annual General Meeting held on 30th September 2020.

**16. Auditors' Report**

The Independent Auditors' report for the financial year ended 31st, March, 2021 on the Standalone financial statements of the Company forms part of the Annual report. The said report was issued by Statutory Auditors with an unmodified opinion and doesn't contain any qualification, reservation, adverse remark.

The Independent Auditors' report for the financial year ended 31st, March, 2021 on the Consolidated financial statements of the Company also forms part of the Annual report. The said report was issued by Statutory Auditors with an "Emphasis of Matter" Paragraph with an unmodified opinion and doesn't contain any qualification, reservation, adverse remark.

During the year under audit, the Auditors have not reported any fraud under Section-143(12) of the Act and therefore no details are required to be disclosed under Section-134(3)(ca) of the Act.

**17. Audit Committee**

In pursuance of Section 177 of the Companies Act, 2013 read with Regulation 18 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted the Audit Committee and the details in respect of the composition of Audit Committee of the Company is given in Corporate Governance Report of the Company.

**18. Secretarial Audit Report**

In terms of Section 204 of the Act and Rules made there under, M/s. D Dixit & Associates, Practicing Company

Secretary has been appointed as Secretarial Auditors of the Company. The report of the Secretarial Auditors is enclosed as Annexure IV to this report. The observations made by the Secretarial Auditors in their Audit report are as follows:

1. As per section 7(2) of Payment of Gratuity Act,1972, as soon as gratuity becomes payable, the employer shall, whether an application referred to in sub-section (1) has been made or not, determine the amount of gratuity and give notice in writing to the person to whom the gratuity is payable and also to the controlling authority specifying the amount gratuity so determined. However, on verification of records of the Company, it has been found that it has defaulted in giving such intimation to the controlling authority.

The Company couldn't make the intimation due to lockdown.

2. As per sub-section (3) of Section 7 of The Payment of Gratuity Act, 1972 "The employer shall arrange to pay the amount of gratuity within 30 days from the date it becomes payable to the person to whom the gratuity is payable". However on verification of records of Company, it has been found that the Company has defaulted in adherence to the timeline with respect to the payment of Gratuity to the ex-employees.

The Company couldn't make timely payment due to lockdown and the same was made as soon as the Company received the due amount from Insurance Company.

3. As per sub-section (3A) Section 7 of The Payment of Gratuity Act, 1972 , "If the amount of gratuity payable under sub-section (3) is not paid by the employer within the period specified in subsection (3), the employer shall pay, from the date on which the gratuity becomes payable to the date on which it is paid, simple interest at such rate, not exceeding the rate notified by the Central Government from time to time for repayment of long-term deposits, as that Government may, by notification specify.

As stated in point no.2, gratuity service provider was non-operational during that phase due to lockdown. They were not accepting gratuity documents through any digital mode.

4. The Company has not reconstituted the Internal Committee as required under Section 4(3) of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013. The Presiding Officer and other members of the Internal Committee are holding office in the Internal Committee exceeding three years, from the date of their nomination.

The Company had conversation with few NGO's for appointing presiding officer but they denied to accept any offer last year due to covid spread. Rotation of other members and appointment of new presiding officer shall be made this year and the same shall be notified along with Posh return to the statutory authority.

5. As per Regulation 17(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, where the Listed entity does not have a regular non-executive chairperson, at least half of the Board of Directors shall comprise of Independent Directors. On verification it was observed that, around 43% Directors of the Company are Independent Directors. Till 10th March 2021, there were seven Directors on the Board of the Company. Out of the seven Directors, three Directors were Independent, three were Executive Directors and one of them was Nominee Director. As on 10th March 2021, the Company appointed one more Additional Independent Director in compliance with Regulation 17 of SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015.

The Company has duly appointed the Independent Directors in compliance with aforesaid regulation and is complied as on date.

6. The Company has filed FLA return for the Financial Year 2019-20 on 18th September 2020.

The Company has filed the return on the aforesaid date due to non functioning of RBI website.

**19. Internal Audit & Controls**

In terms of compliance of Section 138 of the Companies Act, 2013 read with the Companies (Accounts) rules, 2014, the Board of Directors in their meeting appointed Grant Thornton, Bharat LLP as its Internal Auditors. During the year, the Company appreciated their suggestions and recommendations to improve the control environment. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, statutory compliances, and assessing the internal control strengths in all areas. Internal Auditors findings were discussed with the process owners and suitable corrective actions were taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

The Company has defined policies and standard operating procedures for all key business processes to guide business operations in ethical and compliant manner.

The Board reviews the internal processes, systems and the Internal financial controls. The Directors Responsibility Statement contains a confirmation for adequacy of the internal financial controls.

**20. Vigil Mechanism:**

In pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for Directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy can be found on the link [http://www.ltgroup.in/pdf/Whistle-Blower%20Policy\\_August%202021.pdf](http://www.ltgroup.in/pdf/Whistle-Blower%20Policy_August%202021.pdf) on the website of the Company. In terms of amendment in regulation 9A(6) of the SEBI (Prohibition of Insider Trading) Regulations, 2015, which requires a listed Company to have a whistle-blower policy and to make employees aware of such policy to enable them to report instances of leak of unpublished price sensitive information. Since the Company has already in place policy on Whistle Blower formulated in terms of Listing Regulations and thereby informed the employees through internal circular, about their right to report any instance of leak or suspected leak of UPSI under the guard of the said policy in place.

**21. Risk Management Policy**

Risk Management is an integral and important aspect of Corporate Governance. The Board of the Company has duly constituted Risk Management Committee which will assist the Board in monitoring and reviewing the risk management plan, implementation of the risk management framework of the Company and to further ensure that the appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.

The Company has in place a comprehensive Risk Management Policy which can be accessed at <http://www.ltgroup.in/pdf/LT-Foods%20-Risk-Management.pdf>.

LT Foods has in place comprehensive risk assessment and minimization procedures, which is reviewed by the top management at regular interval.

**22. Annual Return**

Pursuant to the requirements of Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the annual return in the prescribed format is available at [http://www.ltgroup.in/pdf/Annual\\_Return\\_2021.pdf](http://www.ltgroup.in/pdf/Annual_Return_2021.pdf)

**23. Material changes and commitments, if any, affecting the financial position of the Company which have occurred during the period beginning with end year of the Company to which the financial statements relate and the date of the report**

There has been no material change in the business, which may affect financial position of the Company.

### 24. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future

The Company has not received any significant or material orders passed by any regulatory authority, court or tribunal, which shall impact the going concern status & Company's operations in future.

### 25. Details in respect of adequacy of internal financial controls with reference to the Financial Statements

According to Section-134 (5) (e) of the Companies Act, 2013, the term Internal Financial Control (IFC) means the policies and procedures adopted by the Company for ensuring orderly and efficient conduct of its business including adherence to the Company's policies, the safeguarding of its assets, prevention and detection of frauds and errors, the accuracy and completeness of

the accounting records, and the timely preparation of reliable financial information.

The Company has a well-placed internal financial control system which ensures that all assets are safeguarded and protected and that the transactions are authorized, recorded and reported correctly. The Company's internal financial control system also comprises compliance of Company's policies and Standard Operating Procedures (SOPs) and audit by Internal Audit team, Grant Thornton Bharat, LLP.

### 26. Deposits

The Company has neither accepted nor renewed any deposits falling under Chapter V of Companies Act, 2013.

### 27. Cost Record

The Central Government has not specified maintenance of cost record under Section 148(1) of the Company Act, 2013 in respect of our Company's product.

### 28. Particulars of loans, guarantees or investments

The details of Loans given, Guarantee provided and Investments made are as follows:-

#### Details of loans:-

S No	Date of loan	Name of the Company	Amount (in ₹ Lakhs)	Purpose for which loan was given	Date of Board meeting / Management Committee meeting	Rate of interest charged
1	31-03-2021	Raghuvesh Warehousing Private Limited	5,500,000	Business	18.03.2021	10%
2	31-03-2021	Raghuvesh Agri Foods Private Limited	5,000,000	Business	18.03.2021	10%

#### Details of Investments:-

S. No	Date of Investment	Details of Investee	Amount	Purpose for which the proceeds from investment is proposed to be utilized by the recipient	Date of Board resolution	Date of special resolution	Expected rate of return
NIL							

No investment was made by the Company during the financial year 2020-21.

#### Details of Guarantee / Security Provided during the financial year 2020-21:

Sl. No	Details of recipient	Amount (In crore)	Purpose for which the security/guarantee is proposed to be utilized by the recipient
1	Daawat Foods Limited	66.00	Working capital loan availed from State Bank of India, Punjab National Bank and Union Bank of India
2	Nature Bio Foods Limited	109.00	Working capital loan availed from Indusind Bank, IDFC First Bank, Kotak Mahindra Bank
3	Raghunath Agro Industries Private Limited	4.20	Covid Working capital loan availed from Punjab National Bank, Amritsar
4	Ecopure Specialities Limited	30.40	Working capital loan availed from Indusind bank

### 29. Particulars of contracts or arrangements with related parties:

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 are disclosed in Form No. AOC-2. With reference to Section 134(3) (h) of Companies Act, 2013 all contracts and arrangements with related parties under Section 188(1) entered by the Company during the financial year are executed in ordinary course of business on arms length basis.

### 30. Corporate Governance Certificate

The report on Corporate Governance as stipulated under Regulation 34(3) read with Para C of Schedule V of the Listing Regulations is presented in a separate section forming part of this Annual Report.

A Certificate from the Practicing Company Secretary CS Debasis Dixit, regarding compliance of the conditions of corporate governance as stipulated in Regulation 27 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 is annexed to the report.

### 31. Management Discussion and Analysis

The Management Discussion and Analysis Report prepared in accordance with the Regulation 34(2)(e) of Listing Regulations forms part of this Annual Report for the year ended 31st March 2021.

### 32. Obligation of Company under the sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013

In order to prevent sexual harassment of women at work place, The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been notified on 9th December 2013. Under the said Act, every Company is required to set up an Internal Complaints Committee to look into the complaints relating to sexual harassment at work place of any women employee.

The Company has adopted a policy for prevention of sexual harassment of Women at workplace and has set up Committee for implementation of said policy. During the year, the Company has not received any complaint on sexual harassment harassment.

### 33. Conservation of energy, technology absorption and foreign exchange earnings and outgo

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

#### a) Conservation of energy

Energy conservation has been one of the key objectives that are associated with the manufacturing units from past many years. LT Foods has shown improvement year on year basis and has successfully achieved the targets. There have been several initiatives taken in this direction, few of them are listed below:

- Machine output plays a vital role in energy consumption. This year, we have worked on increasing the plant throughput with better production planning and as a result of this initiative, we are able to achieve reduction in units per metric tonnes.
- Efficient production planning has resulted in reducing our net production days thereby identifying certain days or shifts in a particular month where there is no need to carry out production and hence enabling in reduction of power consumption over the month.
- Identification of no production days also resulted in the optimal usage of alternate source of electricity (Diesel Generator) and operating only the critical machineries when required.
- Power boosters were installed in the compressor line which resulted in lowering down the power consumption in the form of reduction in the requirement of compressed air for plant operations.
- Energy audit was also conducted and the suggested recommendations were able to plug in certain leakages which further helped in reducing the overall energy consumption.

#### Power & Fuel Consumption (Bahalgarh Plant)

Particulars	2020-21	2019-20
Electricity Through Purchases Units	2,20,40,635	2,10,75,703
Total Amount (₹)	17,07,34,839	16,51,13,421
Rate/Unit(₹)	7.75	7.83



Particulars	2020-21	2019-20
Through Diesel Generator		
Units generated	7,70,639	4,29,082
Total Amount (₹)	1,54,59,400	87,35,314
Cost/Unit (₹)	20.06	20.36

#### Power & Fuel Consumption (Varpal Plant)

Particulars	2020-21	2019-20
Electricity		
Through Purchases		
Units	48,52,000	48,36,317
Total Amount (₹)	3,43,30,157	3,35,36,661
Rate/Unit (₹)	7.08	6.93
Through Diesel Generator		
Units generated	63,300	91,900
Total Amount (₹)	32,21,504	22,42,728
Cost/Unit (₹)	50.89	24.40

#### (b) Technology, Absorption, Adaption and Innovation

During the year, the Company has formed a core Committee in order to make the Business Digital. We are following SAP's tag line "Business Runs on SAP". We have divided Digitization journey broadly in 3 categories:-

##### 1. Bringing Control into System by Process Automation-

In order bring control & efficiency in system we have migrated from SAP ECC to s4HANA which support use of mobile devices and analytics. Also it has more than 1300 inbuilt app. We have even integrated our system with some of European & US Customers system where in everything starting from Purchase Order till Invoicing are automatically sent and received through system without any manual intervention. EDI integration has brought lot of controls & efficiency. We have also automated inventory planning system through a tool developed as per consulting partner. Banks are also integrated with SAP. Integration of SAP with GST portal for Ewaybill and e-invoicing is also there.

##### 2. Remote Data capturing using Mobile Device-

We have implemented SAS based Sales Force Automation system wherein our SOs captures

Sales Order on Mobile devices as per their route plan and same order will be reflected on Distributors Billing system. We are also capturing various data from fields and plants using IOT devices. We have also integrated SAP with DMS. Similar mobile app is also developed for procurement process.

##### 3. Real-time Online MIS systems for better Decision making

Since we are capturing lot of Data from various source so in order to present Data to Management we have implemented PowerBi in our Organization. Inventory control towers and other Dashboard are helping management in having better controls.

#### (c) Foreign exchange earnings and Outgo

During the year, the total foreign exchange spent was depicted below in Lakhs and the total foreign exchange earned were as follows:

Particulars	31-03-2021	31-03-2020
Value of imports on CIF basis		
Capital goods	113.63	30.64
Stores and spares	36.62	81.99
Packing Material	37.05	-
Other	-	-
Other Food Items	-	-
<b>Total</b>	<b>187.30</b>	<b>112.63</b>
Expenditure in foreign currency		
Legal & Professional	13.70	110.61
Interest and other charges to bank	747.98	965.82
Clearing & Forwarding Exp	2,498.28	2,563.90
Sales promotion	76.51	37.89
Commission on export sales	171.98	364.06
Others	19.21	70.16
<b>Total</b>	<b>3,527.66</b>	<b>4,112.43</b>
Earnings in foreign currency		
FOB value of exports		
Rice	102,555.56	98,201.09
<b>Total</b>	<b>102,555.56</b>	<b>98,201.09</b>

#### 35. Corporate Social Responsibility (CSR)

The disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 related to CSR activities is detailed in (Annexure I).

#### 36. Human Resources

The Company treats its "human resources" as one of its most important assets.

The Company continuously invest in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. The Company's thrust is on the promotion of talent internally through job rotation and job enlargement. The Company maintains healthy, cordial and harmonious industrial relation at all level. The enthusiasm of employee has enabled the Company to maintain its leader position in the industry.

#### 37. Directors' Responsibility Statement

Pursuant to Section-134(3) (C) of the Companies Act, 2013, based on the representations received from the operating management & after due inquiry, the Directors confirm that:-

- In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- The Directors have 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;
- The Directors have prepared the annual accounts on a going concern basis; and
- The Directors, have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

- 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.

#### 38. Transfer of Amounts to Investor Education and Protection Fund

Pursuant to Section 124 and 125 of the Companies Act, 2013, the dividend which remains unpaid/unclaimed for a period of seven years from the date of transfer to unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government and such unclaimed dividend cannot be claimed by the Investors from the Company. However Investors can claim the unpaid dividend from appropriate authority in accordance with the Investor Education and Protection Fund Authority (Accounting, audit, transfer and Refund Rules, 2016).

Further the amount of Dividend unclaimed/unpaid for the financial year 2013-14 to 2019-20 lies in the respective unpaid dividend account and can be claimed from Company's Registrar and Share Transfer Agent i.e. Big Share Services Private Limited, before the due date for transfer of the same in IEPF account.

The dividend declared for the financial year 2013-14, is due to be transferred to IEPF account in the financial year 2021-2022.

Pursuant to the provisions of the Investor Education Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company, as on 30th September, 2020 with the Ministry of Corporate Affairs.

#### 39. Details of Application made under Insolvency and Bankruptcy Code, 2016

During the year, no such application was made and no such proceeding is pending under the said code.

#### 40. The details of difference between amount of the valuation done at the time of One time settlement and valuation done while taking loan from the bank or financial institutions along with the reason thereof -

Not applicable.

#### 41. Listing with Stock Exchanges:

The Company confirms that it has paid the Annual Listing Fees for the year 2020-21 to NSE and BSE where the Company's Shares are listed.

#### 42. Compliance with Secretarial Standards

The Company has duly followed the applicable Secretarial standards, SS-1 & SS-2 relating to Meeting of the Board of Directors and General Meeting respectively.

#### 43. Acknowledgements

The Director places on record their gratitude to all stakeholders for their assistance, cooperation and encouragement. The Directors also wishes to place on record their sincere thanks to all investors, vendors, and employees for their outstanding performance.

For and on behalf of the Board of Directors

Sd/-

**Vijay Kumar Arora**

Chairman & Managing Director  
DIN:00012203

Place:Gurugram

Date: 30th July 2021

#### ANNEXURE INDEX

Annexure	Content
I.	Annual Report on Corporate Social Responsibility
II.	AOC 2 – Related Party Transactions disclosure
III.	MR-3 Secretarial Audit Report
IV.	Details of subsidiaries and Joint Venture in AOC-1

#### Annexure-I to Directors Report for the year ended 31st March, 2021

#### CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT FOR FINANCIAL YEAR COMMENCING ON OR AFTER 1ST DAY OF APRIL, 2020

##### 1. Brief outline on CSR Policy of the Company.

- I. To set a guiding principles for carrying out CSR activities.
- II. To set up the process of execution, implementation and monitoring of the CSR activities to be undertaken by the Company.
- III. To conduct its business in line with the Responsible Business framework.
- IV. To create superior value for our stakeholders.
- V. Implementation of the CSR activities in Projects/ Programme mode through a focused approach for generating maximum approach.

##### 2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Gokul Patnaik	Chairman (Non- Executive Director)	2	2
2	Vijay Kumar Arora	Member, Executive Director	2	2
3	Neeru Singh	Member, Non-Executive Director	1	1
4	Rajesh Kumar Srivastava	Member, Nominee Director	2	2

##### 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.

<http://www.ltgroup.in/pdf/LT-Foods-CSR-Policy-2021.pdf>

##### 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**

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1			
2		NOT APPLICABLE	
3			
<b>TOTAL</b>			

**6. Average net profit of the Company as per Section 135(5). - ₹ 8378.21 lakhs**

**7. (a) Two percent of average net profit of the Company as per Section 135(5) - ₹ 167.56 lakhs**

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

Nil

**(c) Amount required to be set off for the financial year - NA**

**(d) Total CSR obligation for the financial year (7a+7b- 7c). - ₹ 167.56 lakhs**

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

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

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
1	Hamari Udaan	Education	Yes	Haryana	Sonepat	More Than 1 Financial Year	1,000,000	1,000,000	Nil	NO	Fair Farming Foundation	CSR00001426
2	Parivartan Project	Rural Development	Yes	Madhya Pradesh	Chattarpur	More Than 1 Financial Year	450,000	450,000	Nil	No	Fair Farming Foundation	CSR00001426
3	Safe & Clean drinking water	Preventive health care and sanitation	Yes	Haryana/ Uttar Pradesh	Shajhanpur, Badaun Kalan/ Sonapat	More Than 1 Financial Year	2,730,000	2,730,000	Nil	No	Fair Farming Foundation	CSR00001426
4	Sustainable Agriculture	Vocational Skill Livelihood Enhancement	Yes	Haryana/ Uttar Pradesh	Shajhanpur, Badaun Kalan/ Sonapat	More Than 1 Financial Year	11,000,000	11,000,000	Nil	No	Fair Farming Foundation	CSR00001426
5	Udayan Shalini Fellowship	Promoting Education	No	Uttarakhand	Haridwar	More Than 1 Financial Year	731,092	731,092	Nil	No	Udayan Care	CSR00000619
<b>Total</b>							<b>1,59,11,092</b>	<b>1,59,11,092</b>				

The above projects were not initially approved as multi-year project but due to covid outbreak duration has been extended beyond one Financial Year

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in ₹).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District			Name	CSR Registration number.
1.	Udayan Ghar	Promoting education	Yes	New Delhi	Mehrauli	363,636	No	Udayan Care	CSR00000619
2.	PPE KIT COVID-19	Disaster Management	Yes	Haryana	Sonapat	500,000	No	Udayan Care	CSR000001426
<b>TOTAL</b>						<b>863,636</b>			

\* The amount spent by the Company on CSR was not fully utilized by the Implementing Agency due to covid.

**(d) Amount spent in Administrative Overheads- ₹ 402,620**

**(e) Amount spent on Impact Assessment- NA**

**(f) Total amount spent for the Financial Year (8b+8c+8d+8e)- ₹ 171.77 lakhs**

**(g) Excess amount for set off, if any**

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the Company as per Section 135(5)	₹ 167.56 crore
(ii)	Total amount spent for the Financial Year	₹ 171.77 crore
(iii)	Excess amount spent for the financial year [(ii)-(i)]	₹ 4.21 Lakhs
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NA
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	₹ 4.21 Lakhs

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

(Amount in Lakhs)

Sl. No.	Preceding Financial Year.	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.
				Name of the Fund	Amount	Date of transfer.	
1.	2019-20	NA	69.77				59.32
2.	2018-19	NA	52.98	NOT APPLICABLE **			44.11
3.	2017-18	NA	61.75				27.69
<b>TOTAL</b>							

\*\* Applicable wef 22nd Jan 2021

**(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed /Ongoing
Not applicable								

Not applicable, as the concept of 'ongoing projects' has been introduced in the CSR Amendment Rules, relevant from fiscal 2021.

**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).**NA

**(b) Amount of CSR spent for creation or acquisition of capital asset.**NA

**(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.** NA

**(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).**NA

**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).** NA

Sd/-  
**Ashwani Kumar Arora**  
(Chief Executive Officer & Managing Director).

Sd/-  
**Gokul Patnaik**  
(Chairman CSR Committee).

**Annexure-II** to Directors Report for the year ended 31st March, 2021

**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.**

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

**1. Details of contracts or arrangements or transactions not at Arm's length basis.**

Sl. No.	Particular	Details
a)	Name (s) of the related party & nature of relationship	Not Applicable
b)	Nature of contracts/arrangements/transaction	Not Applicable
c)	Duration of the contracts/arrangements/transaction	Not Applicable
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Not Applicable
e)	Justification for entering into such contracts or arrangements or transactions'	Not Applicable
f)	Date of approval by the Board	Not Applicable
g)	Amount paid as advances, if any	Not Applicable
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Not Applicable

**2. Details of contracts or arrangements or transactions at Arm's length basis.**

(Amount in Lakhs)						
Sl. No.	Name of the Related Party & Nature of relationship	Nature of Contracts/Arrangements/ Transaction	Duration of the Contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of Approval by the Board	Amount paid as advances, if any
1.	Daawat Foods Limited (Subsidiary Company)	Sales / Purchase / Rent / Freight Exp/ Insurance Income /Interest Income/ corporate guarantee charges/ Business Support Service/Sale in PPE/Purchase of PPE/Corporate Guarantee Given	01.04.20 - 31.03.21	62673.89	26/05/2020, 30/07/2020, 30/10/2020 and 29/01/2021	NIL
2.	Nature Bio Foods Limited (Subsidiary Company)	Reimbursement of Expenses/ Processing Charges Income/ Transport Income/ Corporate Guarantees given / Corporate Guarantee charges /Fumigation Income	01.04.20 - 31.03.21	8687.80	-do-	NIL
3.	LT Foods Americas Inc. (Subsidiary Company)	Sales	01.04.20 - 31.03.21	28912.90	-do-	NIL
4.	LT Foods Middle East DMCC (Subsidiary Company)	Sales/Commission Paid	01.04.20 - 31.03.21	11419.36	-do-	NIL



Sl. No.	Name of the Related Party & Nature of relationship	Nature of Contracts/Arrangements/ Transaction	Duration of the Contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	(Amount in Lakhs)	
					Date of Approval by the Board	Amount paid as advances, if any
5.	Raghunath Agro Industries Private Limited (Subsidiary Company)	Corporate Guarantee charges income/Fumigation Income / Corporate Guarantees given/ Reimbursement of Expenses/ Purchases/Sales	01.04.20 - 31.03.21	19176.36	-do-	NIL
6.	Raghuvesh Agri Foods Private Limited (Associate Company)	Loan granted/Payment received against loan/interest income	01.04.20 - 31.03.21	99.15	-do-	NIL
7.	Super Texfab Private Limited (Entities of KMP)	Purchase	01.04.20 - 31.03.21	601.03	-do-	NIL
8.	Raghuvesh Warehousing Private Limited (Associate Company)	Loans granted/Payment Received against Loan/interest income	01.04.20 - 31.03.21	144.92	-do-	NIL
9.	Deva Singh Sham Singh Exports Private Limited (Wholly Owned Subsidiary)	Sales /Rental Expenses/Processing Charges paid Purchases/ Reimbursement of expenses	01.04.20 - 31.03.21	1644.49	-do-	NIL
10.	UIPL Innovations Private Limited (Entities of KMP)	Purchase/ Reimbursement of expense	01.04.20 - 31.03.21	334.20	-do-	NIL
11.	LT Foods Europe B.V. (Subsidiary Company)	Sale/Purchase	01.04.20 - 31.03.21	20206.47	-do-	NIL
12.	Daawat Kameda India Private Limited (Joint Venture)	Purchases/ Sales/ Rental Income/ Reimbursement of Expenses/	01.04.20 - 31.03.21	684.05	-do-	NIL
13.	Raghuvesh Infrastructure Private Limited (Associate Company)	Dividend income/Reimbursement of expenses	01.04.20 - 31.03.21	33.94	-do-	NIL
14.	Eco Pure Specialities Limited (Subsidiary Company)	Corporate guarantee given, Corporate Guarantee charges, Reimbursement of expenses	01.04.20 - 31.03.21	1866.46	-do-	NIL

All material transactions were approved by shareholders in the Annual General meeting of the Company held on 30th September, 2020.

For and on behalf of Board of Directors of LT Foods Limited

Sd/-  
**Ashwani Kumar Arora**  
Managing Director and CFO  
DIN 01574773

Sd/-  
**Surinder Kumar Arora**  
Managing Director  
DIN 01574728

Sd/-  
**Gokul Patnaik**  
Independent Director  
DIN 00027915

Sd/-  
**Monika Chawla Jaggia**  
Company Secretary  
Membership No. :- F5150

### Annexure-III to Directors Report for the year ended 31st March, 2021

#### Form No. MR-3

#### SECRETARIAL AUDIT REPORT

#### For the Financial Year ended 31st March, 2021

[Pursuant to Section-204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
**LT Foods Limited**

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

Based on my verification of the LT Foods Limited books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2021 complied with the statutory provisions listed 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:

#### PARA ONE

I have examined the books, papers, minute books, forms and returns filed and other records maintained by LT Foods Limited ("the Company") for the financial year ended on 31st March, 2021 to the extent applicable according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014;
  - (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) 2015;
  - (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-
  - (i) \*The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- \* No Event took place under these regulations during the Audit Period.

- (vi) I have also examined the Compliances of the Provisions of the following other laws applicable specifically to the Company wherein I have also relied on the Compliance Certificates/declaration issued by the head of the respective department/management in addition to the checks carried out by me and found that Company has complied with all the provisions of said Acts and also the abovementioned act except the below mentioned observations.

- (1) The Stamp Duty Act, 1899
- (2) The Employee's Provident fund & Miscellaneous Provisions Act, 1952

- (3) The Equal Remuneration Act, 1976
- (4) The Maternity Benefit Act, 1961
- (5) The Minimum wages Act, 1948
- (6) The Water (Prevention and Control of Pollution) Act, 1974
- (7) The Air (Prevention and Control of Pollution) Act, 1981
- (8) The Environment (Protection) Act, 1986
- (9) The Employee's State Insurance Act, 1948
- (10) Legal Metrology Act, 2009
- (11) The Factories Act, 1948
- (12) Payment of Gratuity Act, 1972
- (13) The Payment of Wages Act, 1956
- (14) The Contract Labour (Regulation and Abolition) Act, 1970
- (15) The Industrial Employment (Standing Orders) Act, 1946
- (16) The Industrial Dispute Act, 1947
- (17) The Payment of Bonus Act, 1965
- (18) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013

**Observations in Clause (i) Para One of Our Report**

As per Management Confirmation, the Company has disbursed entire CSR obligation to its Implementing Agencies. However, Implementing Agencies has not utilized ₹ 44.21 Lakhs out of the total fund disbursed of ₹ 171.77 Lakhs

**Observations in Clause (iv) Para One of Our Report**

According to information and Explanation and verification of forms and returns maintained by Company, the Company has filed FLA return for the Financial Year 2019-20 on 18th September 2020.

**Observations in Clause (vi) (12) of Para One of Our Report**

- 1. As per section 7(2) of Payment of Gratuity Act, 1972, as soon as gratuity becomes payable, the employer shall, whether an application referred to in sub-section (1) has been made or not, determine the amount of gratuity and give notice in writing to the person to whom the gratuity is payable and also to the controlling authority specifying the amount gratuity so determined.

However, on verification of records of the Company, it has been found that it has defaulted in giving such intimation to the controlling authority.

- 2. As per sub-section (3) of Section 7 of The Payment of Gratuity Act, 1972 "The employer shall arrange to pay the amount of gratuity within 30 days from the date it becomes payable to the person to whom the gratuity is payable". However on verification of records of Company, it has been found that the Company has defaulted in adherence to the timeline with respect to the payment of Gratuity to the ex-employees.
- 3. As per sub-section (3A) Section 7 of The Payment of Gratuity Act, 1972 , "If the amount of gratuity payable under sub-section (3) is not paid by the employer within the period specified in sub-section (3), the employer shall pay, from the date on which the gratuity becomes payable to the date on which it is paid, simple interest at such rate, not exceeding the rate notified by the Central Government from time to time for repayment of long-term deposits, as that Government may, by notification specify.

On verification of records, it was found that, though there was delay in payment of gratuity, no payment of simple interest was made to the employee.

**Observations in Clause (vi) (18) of Para One of Our Report**

The Company has not reconstituted the Internal Committee as required under section 4(3) of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013. The presiding officer and other members of the Internal Committee are holding office in the Internal Committee exceeding three years, from the date of their nomination.

**PARA SECOND**

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

- (i) Secretarial Standards on meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meeting (SS-2) issued by Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (iii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

Based on our verification of the Company's Books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents, and its

authorized representatives during the conduct of Secretarial Audit we hereby report that in our opinion during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that

- a. As per Regulation 17(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, where the Listed entity does not have a regular non-executive chairperson, at least half of the Board of Directors shall comprise of Independent Directors.

On verification it was observed that, around 43% Directors of the Company are Independent Directors. Till 10th March 2021, there were seven Directors on the Board of the Company. Out of the seven Directors, three Directors were Independent, three were Executive Directors and one of them was Nominee Director. As on 10th March 2021, the Company appointed one more Additional Independent Director in compliance with Regulation 17 of SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015

As on date, the Company is complied with the said regulation.

- b. One of the Designated employee has violated the code of Conduct framed under SEBI(Prohibition of Insider Trading) Regulations, 2015. He has done contra trade of shares and has not taken pre clearance from the Compliance officer to selling shares more than ₹ 10 Lakhs. Further, he did not intimate the Company under Regulation 7(2) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

Another Designated employee has also violated the code of conduct framed under SEBI (Prohibition of Insider Trading) Regulations, 2015. He has entered into a contra trade within 6 months and thus violated Clause 9(7) of Code of Conduct of LT Foods Limited to regulate, monitor and report trading by designated persons.

Entire profit earned by the said designated employees were transferred to Investor Protection and Education Fund administered by the Board under SEBI Act, 1992

- c. Action taken by BSE for Non-compliance with the requirements pertaining to the composition of the Board including failure to appoint woman Director.

The Company has already paid the penalty amount and it has complied as well.

- d. Action taken by NSE for Non-compliance with the requirements pertaining to the composition of the Board including failure to appoint woman Director.

The Company has applied to NSE for waiver of penalty thereof and it has complied as well

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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 the Company has:

- 1. Taken following approval of Shareholders in Annual General Meeting of the Company held on 30th September, 2020
  - (a) Ordinary resolution passed for appointment of Mrs. Neeru Singh as Independent Director for a term up of 5 consecutive years with effect from her date of appointment.
  - (b) Ordinary resolution passed for increase in remuneration of Mr. Ritesh Arora, Head- India Business of the Company.
  - (c) Ordinary resolution passed for reappointment of Mr. Surinder Kumar Arora as Managing Director of the Company for a period of 5 years w.ef. 21st June 2020.
  - (d) Ordinary resolution passed for reappointment of Mr. Ashwani Kumar Arora as Managing Director of the Company for a period of 5 years w.ef. 21st June 2020.
  - (e) Continuation of directorship of Mr. Supras Bhandari, Director, in terms of regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
  - (f) Ordinary resolution to approve material related party transactions for the financial year 2020-21.

For D Dixit and Associates

Company Secretaries  
**CS Debasis Dixit**

Place: New Delhi  
Date: 29.07.2021  
FCS No. 7218, CP No.: 7871  
UDIN-F007218C000706268

Note: This report is to be read with our letter of even date, which is annexed as Annexure-A, and forms as integral part of this report.

## Annexure-A to the Secretarial Audit Report

The Members  
**LT Foods Limited**

- Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on the random test basis.
- 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.

Date: 29.07.2021  
Place: New Delhi

### Annexure-IV to Directors Report for the year ended 31st March, 2021

Statement Containing certain financial information of subsidiaries, associate Companies and Joint Ventures of LT Foods Limited as at 31st March 2021

### STATEMENT PURSUANT TO FIRST PROVISIO TO SUB -SECTION (3) OF SECTION 129 READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES,2014

#### PART-A SUBSIDIARIES

Statement containing certain financial information of subsidiaries, associate companies and joint ventures of LT Foods Limited as at March 31, 2021  
(Pursuant to first proviso to sub -section (3) of section 129 of Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014

S. No	Name of the subsidiary	Reporting currency	Date of acquisition of Subsidiary	Financial year ended on	Share capital	Reserve & surplus	Total assets	Total liabilities	Investments	Turnover (including other income)	Profit/(loss) before taxation	Provision for taxation & prior period adjustment	Profit/(loss) after tax expenses and prior period adjustment	Proposed dividend	% of shareholding
1.	LTO North America, Inc. USA (Wholly Owned Subsidiary)	USD **	02.11.2007	31.03.21	67.70	(62.62)	148.50	143.43	29.66	-	(3.67)	(0.34)	(3.33)	-	100.00%
2.	LT Foods Americas, Inc. (Subsidiary)	USD **	22.09.2010	31.03.21	1.00	650.70	1,174.23	522.53	-	2,162.07	176.66	48.80	127.85	-	100.00%
3.	LT Foods USA LLC (Subsidiary)	USD **	21.10.2007	31.03.21	-	(7.48)	58.68	66.16	-	-	(1.27)	(0.32)	(0.95)	-	100.00%
4.	Universal Traders, Inc. (Subsidiary)	USD **	19.07.2012	28.08.20	-	-	-	-	-	-	(0.00)	-	(0.00)	-	100.00%
5.	LT Foods Middle East DMCC (Subsidiary)	AED **	17.04.2013	31.03.21	10.00	26.61	318.46	281.85	-	801.83	32.58	-	32.58	-	100.00%
6.	Sona Global Ltd. UAE (Wholly Owned Subsidiary)	AED **	19.03.2005	31.03.21	65.20	5.50	70.83	0.13	10.00	1.92	(0.14)	-	(0.14)	-	100.00%
7.	Daawat Foods Limited (Subsidiary)	INR	04.05.2005	31.03.21	2,439.56	30431.53	86,318.38	53,447.29	221.47	1,06,335.99	7,026.77	1,955.52	5,071.25	-	70.48%
8.	Nature Bio Foods Limited (Subsidiary)	INR	25.11.2005	31.03.21	4152.9	11865.06	35,278.18	19,260.12	1,514.02	41,012.99	1,823.56	515.76	1,107.80	-	99.95%
9.	Fresco Fruits & Nuts Pvt Limited (Subsidiary)	INR	28.08.2014	31.12.20	435.69	(435.69)	-	-	-	108.23	108.22	-	108.22	-	84.94%
10.	LT Agri Services Private Limited (Subsidiary)	INR	27.04.2009	31.03.21	1.00	(1.00)	-	-	-	1.60	1.60	-	1.60	-	70.48%
11.	LT International Limited (Subsidiary)	INR	12.01.1999	30.09.20	200.00	(171.01)	28.99	0.00	-	-	(135.50)	-	(135.50)	-	89.98%



S. No	Name of the subsidiary	Reporting currency	Date of acquisition of Subsidiary	Financial year ended on	Share capital	Reserve & surplus	Total assets	Total liabilities	Investments	Turnover (including other income)	Profit/(loss) before taxation	Provision for taxation & prior period adjustment	Profit/(loss) after tax expenses and prior period adjustment	Proposed dividend	% of shareholding
12.	Ragunath Agro Industries Private Limited (Subsidiary)	INR	20.07.2015	31.03.21	424.79	2,271.34	8,494.71	5,798.58	-	28,801.79	341.42	89.67	251.75	-	98.82%
13.	LT Foods International Limited (Subsidiary)	USD **	24.06.2016	31.03.21	0.76	23.72	110.81	86.33	77.84	14.39	(2.28)	(0.43)	(1.85)	-	100.00%
14.	LT Foods Europe BV (Subsidiary)	USD **	06.09.2016	31.03.21	77.84	(15.19)	660.91	598.25	-	1,066.64	24.86	6.02	18.84	-	100.00%
15.	Deva Singh Sham Singh Export Private Limited (Wholly owned subsidiary)	INR	12.04.2017	31.03.21	1.00	(2.45)	877.18	878.63	-	6,898.33	1.87	0.48	1.39	-	100.00%
16.	Nature Bio-Foods B.V. (Subsidiary)	EURO	06.11.2017	31.03.21	0.00	19.16	64.37	45.21	0.85	144.62	10.54	2.47	8.08	-	99.95%
17.	Ecopure Specialities Limited (Subsidiary)	INR	01.11.2017	31.03.21	362.14	1,840.56	11,053.24	8,850.54	-	20,753.97	1,330.44	307.53	1,022.91	-	99.95%
18.	Nature Bio Foods Inc (Subsidiary)	USD	01.08.2020	31.03.21	1.00	1.29	10.85	8.56	-	14.10	1.64	0.34	1.29	-	99.95%

**Profit & Loss Items dealt with:-**

- \*\* 1 USD (US Dollar) ₹ 74.3044
- \*\* 1 AED (United Arab Emirates Dirham) ₹ 20.2242
- \*\* 1 EURO (European Currency) ₹ 86.4992

**Balance Sheet Items dealt with:-**

- \*\* 1 USD (US Dollar) ₹ 73.5
- \*\* 1 AED (United Arab Emirates Dirham) ₹ 19.9466
- \*\* 1 EURO (European Currency) ₹ 86.10

1. Name of the Subsidiary which is yet to commence its business operations- Not applicable
2. Name of the subsidiaries which have been liquidated or sold during the year: SDC Foods India Limited, L T International Limited, Fresco Fruits N Nuts Private Limited, Ecolife LLC and Universal Traders
3. The Company has filed strike off application for both SDC Foods India Limited and Fresco Fruits N Nuts Private Limited during the year

**PART- B ASSOCIATES AND JOINT VENTURES**

Sl. No.	Name of Associates or Joint Ventures	Raghuvesh Agri Foods Private Limited (Associate)	Raghuvesh Warehousing Private Limited (Associate)	Raghuvesh Infrastructure Pvt. Ltd. (Associate)	Daawat Kameda India Private Limited (Joint Venture)
1.	Last Audited Balance Sheet date	31/03/2021	31/03/2021	31/03/2021	31/03/2021
2.	Date on which the Associate or Joint Venture was associated or acquired	20/05/2014	20/05/2014	24/08/2015	14/03/2017
3.	Shares of the Associate or Joint Venture held by the Company on the year end				
	No.	1600000	1600000	15000	24056359
	Amount of Investment in the Associate or Joint Venture	160.00	160.00	1.50	2405.625
	Extent of holding (in percentage)	40	40	30	51
4.	Description of how there is significant Influence	Holding More than 20% of Total Share Capital of the Company			
5.	Reason why the associate/joint venture is not Consolidated	Not Applicable			
6.	Net worth attributable to shareholding as per latest audited balance sheet	931.64	1127.03	30.86	3253.68
7.	Profit or Loss for the year				
	(i) Considered in consolidation	(16.68)	(7.04)	50.33	-457.81
	(ii) Not Considered in consolidation	(25.02)	(10.56)	117.44	-439.85

1. Names of associates or joint ventures which are yet to commence operations: None
2. Names of associates or joint ventures which have been liquidated or sold during the year: None
3. Names of associates/Joint venture acquired/sold during the year: None

## CEO/CFO Certificate

To  
The Board of Directors  
**LT Foods Limited**

Sub: - Compliance Certificate as per Regulation 17(8) of SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015

We have examined the registers, records, books and papers of the Company as required to be maintained under the Companies Act, 2013 (the Act) and the rules made thereunder, the provisions of various statutes, wherever applicable, the provisions contained in the Memorandum and Articles of Association of the Company for the year ended on 31st March 2021 and in our opinion and to the best of our information

- A. We have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year that 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) significant changes in internal control over financial reporting during the year;
  - (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (3) 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.

For LT Foods Limited

**Ashwani Kumar Arora**  
Chief Executive Officer & Chief Financial Officer

Date: 26.05.2021  
Place- Gurugram

In compliance with Regulation 24A of SEBI( Listing Obligations & Disclosure Requirements) Regulations, 2015, the Secretarial Audit Report of Daawat Foods Limited, the material subsidiary of the Company is part of the Annual report which is as follows:

### Form No. MR-3

#### SECRETARIAL AUDIT REPORT

##### For the Financial Year ended 31st March, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
**Daawat Foods Limited**

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

Based on my verification of the M/s **Daawat Foods Limited** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2021 complied with the statutory provisions listed 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:

#### PARA ONE

I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s **Daawat Foods Limited** ("the Company") for the financial year ended on 31st March, 2021 to the extent applicable according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there-under;
- (ii) \*The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there-under;
- (iii) \*The Depositories Act, 1996 and the Regulations and Bye-laws framed there-under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there-under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) \*The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) \*The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) \*The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) \*The Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014;
  - (e) \*The Securities and Exchange Board of India (Listing Obligations and Other Disclosure Requirements) Regulations, 2015
  - (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-
    - \* Not Applicable to the Company during the Audit Period.
- (vi) I have also examined the Compliances of the Provisions of the following other laws applicable specifically to the Company wherein I have also relied on the Compliance Certificates/declaration issued by the head of the respective department/management in addition to the checks carried out by me and found that Company has complied with all the provisions of said Acts and also the abovementioned act except the below mentioned observations.

- (1) The Employee's Provident fund & Miscellaneous Provisions Act, 1952
- (2) The Equal Remuneration Act, 1976
- (3) The Maternity Benefit Act, 1961
- (4) The Minimum wages Act, 1948
- (5) The Water (Prevention and Control of Pollution) Act, 1974
- (6) The Air (Prevention and Control of Pollution) Act, 1981
- (7) The Environment (Protection) Act, 1986
- (8) The Employee's State Insurance Act, 1948
- (9) Legal Metrology Act, 2009
- (10) The Factories Act, 1948
- (11) Payment of Gratuity Act, 1972
- (12) The Payment of Wages Act, 1956
- (13) The Contract Labour (Regulation and Abolition) Act, 1970
- (14) The Industrial Employment (Standing Orders) Act, 1946
- (15) The Industrial Dispute Act, 1947
- (16) The Payment of Bonus Act, 1965
- (17) The Sexual Harrassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

**Observations/Disclaimer in Clause (i) & (iv) of Para One of Our Report**

1. According to information and Explanation and verification of forms and returns maintained by Company, the Company as required under Section 403 pays the prescribed additional fees in case of delayed filing;
2. During the financial year 2020-21, Company was required to spend ₹ 118.21 Lakhs towards CSR. Pursuant to the same, paid the entire budget to Fair Farming Foundation, its implementing agency. However, the Implementing agency has utilized only ₹ 78.90 Lacs out of the allocated budget;
3. As per Management representation, the related party transactions during the financial year does not requires shareholder's approval, as the related party transactions entered into by the Company is in its ordinary course of business and on arm's length basis. However, I am

unable to comment on the Company's claim of ordinary course of business and on arm's length basis.

4. As per Section 123(4), the amount of dividend shall be deposited in a Separate Account opened with any Scheduled Bank within 5 days from the date of declaration of dividend. However, Company has delayed in depositing the dividend amount into dividend account for preference shareholders and deposited in 9 days from the date of declaration of dividend.
5. The Company has received Long Term Export Advance from customer in previous year pursuant to RBI Master Director-Export of Goods and Services dated 01st January, 2016 and making provisions of Interest payable at the rate of LIBOR+220 Basis point instead of applicable maximum limit of LIBOR +200 Basis Point.

**PARA SECOND**

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

- (i) Secretarial Standards on meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meeting (SS-2) issued by Institute of Company Secretaries of India.

Based on our verification of the Company's Books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents, and its authorized representatives during the conduct of Secretarial Audit we hereby report that in our opinion during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that

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

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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 the Company has:

1. Taken Shareholders approval in the Extra Ordinary General Meeting of Shareholders held on 22nd May

2020 to amend the Articles of Association of the Company pursuant to Shareholder's Agreement.

For D Dixit and Associates

Company Secretaries  
**CS Debasis Dixit**  
 FCS No. 7218, CP No.: 7871  
 UDIN: F007218C000682860

Place: New Delhi  
 Date: 24.07.2021

Note: This report is to be read with our letter of even date, which is annexed as Annexure-A, and forms as integral part of this report.