The Waterbase Limited

# Geared for Growth


37th Annual Report
2023-2024

# Content

## Corporate Overview



## Statutory Reports



## Financial Statements



# Welcome!

**This Annual Report for the Financial Year 2023- 24, contains how 'The Waterbase Limited (Waterbase), is geared for growth through its patience and perseverance while creating a sustainable value for our stakeholders and contributing to the growth and prosperity of the sector.**

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|---|
| **BSE Limited** (BSE Stock Code) **:** 523660 |
| **Market Capitalisation :** ₹ 276 Crores (as on March 31, 2024) |
| **AGM Date & Time :** September 25, 2024 at 12:00 Noon onwards |
| **AGM Mode :** Video Conferencing (VC) / Other Audio Visual Means (OAVM) |

**Please find our online version at:**

**or scan this QR code to navigate Reports and other investor information**

# At Waterbase, we stand at the brink of a new phase in our journey.

Even as we address today's market needs, we are engaged in building our company for the future.

The next 5 years of our journey at Waterbase will be primarily driven by our processing and exports businesses. Simultaneously, we will rebuild our feed business by deploying more resources in the key state of Andhra Pradesh, enhancing our product portfolio and by expanding our farmer and dealer network.

This strategic shift is poised to graduate the Company into fast-growing market segments, strengthening revenues and improving margins. In turn, this effort is intended to enhance stakeholder value in a sustainable way.

## CORPORATE SNAPSHOT

Seafood consumption is on the rise, world over. Shrimp being a true superfood and a delicacy, is in great demand across various markets around the globe. Shrimps are rich in protein, omega-3 fatty acids, vitamins and minerals, which are essential for a healthy diet.

With the natural catch dwindling, aquaculture offers an unprecedented opportunity in the shrimp sector. Waterbase would exploit this opportunity through its participation in the entire shrimp value chain

**The big story is,**

# we are geared for growth

through our commitment and singular focus on the sector. Going ahead, we aim to remain competitive, responsible and sustainable.

## Vision

Leverage the Company's pioneering efforts in innovation and create sustainable solutions in the entire value chain of 'Farm to Fork' to attain market leadership.

To maximize stakeholder value by consistently exceeding customers' expectations and achieving operational excellence in whatever we do.

We are fundamentally committed to developing new technologies and imparting best practices for the growth of the sector and its contribution to Indian economy.

## Mission

The Company's mission is to supply products of the highest quality and deliver a superior service to its customers – farmers, shrimp feed dealers, as well as domestic and overseas buyers of processed shrimp.

## Values

**Integrity** - We consistently adhere to ethical and fair practices with the highest degree of transparency and honesty in whatever we do.

**Respect** – We acknowledge and respect differences in each other, and provide a safe, supportive and balanced environment in which all individuals are valued and encouraged to engage in open two-way communication.

**Collaboration** – We constantly leverage collective genius by working together across teams, departments/functions, businesses and with our external partners towards a shared/ common goal.

**Innovation** – We demonstrate thought leadership in the markets we play in, constantly striving towards forward thinking solutions for our products, processes and offerings.

**Excellence** – We passionately and consistently work towards developing people and setting high standard of quality in both what we do and the way we do it.

**Ownership** – We take personal accountability to meet business needs, improve our systems and help others improve their effectiveness. We act like owners, treating the company's assets as our own and behaving with the company's long-term success in mind.

**Responsibility** – We commit to developing/maintaining sustainable business practices in order to make a positive difference to our industry, environment and society.

# Know about us

**Legacy**
The company is part of Karam Chand Thapar (KCT) Group, a highly reputed and diversified Indian conglomerate with business interests in sectors ranging from Coal and Infrastructure to Real estate, and Aquaculture. Founded in 1929, the KCT Group has consistently striven to provide the highest level of service to our international and domestic customers. Waterbase is committed not only to continuing that rich business legacy, but significantly building & developing on it in the years to come.

**Identity**
The Company is a pioneer in the shrimp aquaculture and is backed by the Karam Chand Thapar Group has inculcated ethical business practices with a long-term vision of growing the sector sustainably. The company participates in the entire shrimp value chain.

**Business Division**
Feed, Shrimp Processing & exports and others

**Business Division**
Feed, Shrimp Processing & exports and others

**Locations**
Registered office located at Nellore in Andhra Pradesh and Corporate office at Chennai

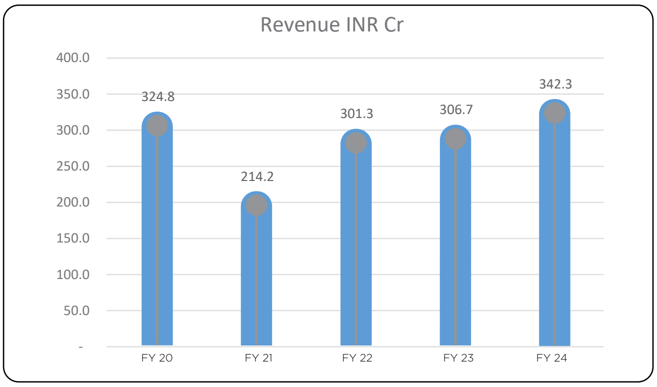
**People**
Total employee strength of 282 as on March 31, 2024.

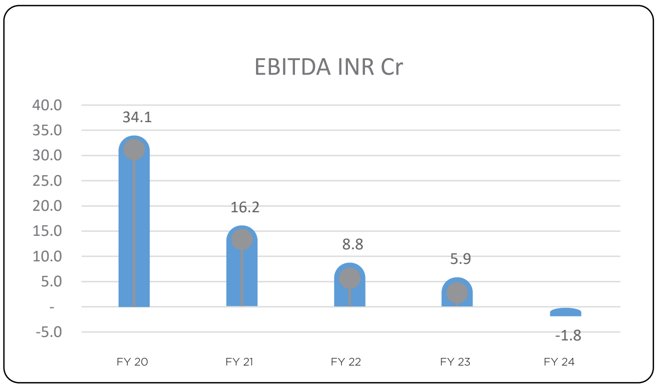
**Globalised**
The Company exports processed shrimps across US, Europe, China, Canada, South Korea, Vietnam, Malaysia and the Middle-East.

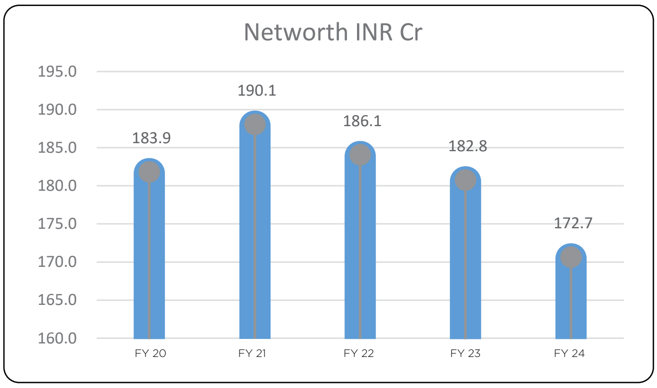
**R&D focus**
Working with renowned companies and research institutions in India and abroad for the benefit of the sector

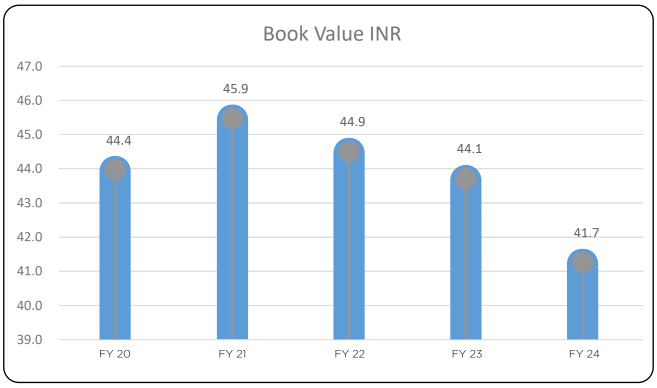
**Certification**
The Company stands accredited with ISO 9001, ISO 14001 certifications. The company's production/ processing units are certified and approved by EU, USFDA, HACCP, FSSAI, BAP, BRC, Halal and other global standards.

# Financial Metrics



# Chairman's Message

**Varun Aditya Thapar**
Chairman

> **We are committed to doing things the right and ethical way, as this is the road to consistent and responsible growth that creates long term value for our shareholders, our business partners and society at large.**

**Dear Shareholders**

As our nation transitions from India@75 to India@100 and aspires to be a USD 7 trillion economy by 2030, prosperity for the country and its citizens are important outcomes. Your Company's contribution to the Shrimp aquaculture sector over the past three decades positions it to continue building the food security for the world and to earn precious forex for our nation. Despite a volatile external environment, your Company has continued to focus on enhancing its long-term sustainability.

### Market Context

The baseline forecast for the world economy is to grow at 3.2% during 2024, at the same pace as in 2023. India is acknowledged as one of the fastest growing economies with an estimated GDP (Gross Domestic Product) growth of 7.6% in FY 2023-24. However, the growth outlook is cautiously optimistic in the wake of continuing geo-political crises across various regions.

In the shrimp aquaculture sector, oversupply from Ecuador and customer response to geo-political disruptions over the last 2 years have led to inventory build-up and price disruptions. India's seafood exports witnessed a 3% rise in volume but an 8% decline in value for the fiscal year 2023-24, totalling 1,781,602 MT valued at USD 7.38 billion. Frozen shrimp remained the top item, with the US leading as the largest market for Indian produce, followed by China and the European Union.

## Performance snapshot

As we gather to reflect on the past year, it is crucial to acknowledge the challenges and uncertainties that have pervaded our sector. The global shrimp market has faced significant headwinds. This has created a challenging environment for many, including our company. However, amidst this backdrop of gloom, there is a beacon of hope and promise. Our company is scaling back up, driven by the strength and efficiency of our processing unit. This progress fills us with optimism that we can elevate our business to greater heights in the future.

Despite the tough market conditions, our company's resilience is evident in our financial performance. We achieved a notable revenue increase of 11.6%, a testament to our strategic initiatives and the unwavering dedication of our team. This growth is particularly significant given the oversupply issues that have plagued the market. However, it is important to acknowledge that we reported a loss of Rs.13.24 Crores (PAT). This outcome reflects the intense cost pressures and market volatilities we have faced.

## Research and development

Our investment in R&D has been pivotal to our success. We have dedicated substantial resources to advance our understanding and capabilities in shrimp nutrition. This year, our R&D team has successfully launched two farmcare products using sustainable raw materials, ensuring that they not only meet the nutritional requirements necessary for high-performance shrimp farming but are also environmentally friendly. The company's rigorous in-process monitoring protocols guarantee a high-quality standard for all products. Periodic identification and implementation of innovative solutions enhance quality assurance across operations.

## Digital Transformation

We believe that the Indian shrimp farming, is at the cusp of far-reaching transformation in response to the new opportunities and the threats emanating from sustainability, climate change, digitalisation, etc. This provides 'Waterbase' with opportunities to further strengthen its presence in its existing business by leveraging its long and trusted association with the Indian aquafarming community while adopting technology-driven business models. Digital preparedness has been at the forefront of our Company's future-ready strategy.

## Sustainability and Community Development

We are committed to doing things the right and ethical way, as this is the road to consistent and responsible growth that creates long term value for our shareholders, our business partners and society at large. We are committed to reducing our environmental impact in manufacturing through responsible sourcing and sustainable practices. Some of the activities that your Company is undertaking through CSR has resulted in significant enhancement to the lives of many school drop-out girls and women through the "Kashvi Programme".

## Future outlook

The revamped processing unit represents a critical component of our strategy to achieve scalability and operational efficiency. By modernizing our facilities and incorporating advanced technologies, we aim to enhance our processing capabilities, ensuring higher quality and greater productivity. This transformation is expected to not only improve our operational metrics but also position us more competitively in the market. Parallel to this, we are committed to rebuilding our feed business.

By way of participation in the entire shrimp value chain, we aim to create a more balanced and resilient revenue portfolio.

## Thanking note

As I reflect back on the year, I would like to convey special thanks to all our customers and channel partners for their unstinted support during the year. I also would like to thank our vendors and bankers whose efforts made sure that our products were available at the right time and place. On behalf of the Board of Directors, my sincere thanks to our employees and their families for their support during these tough times. My heartfelt thanks and appreciation to our shareholders family, for your continued trust and confidence in the Company.

**Varun Aditya Thapar**

Chairman

# CEO's Message


> **At Waterbase, we are implementing stable strategies and embracing agility to meet unforeseen challenges and changes that are affecting our business operations.**

### Dear Shareholders

I feel privileged to lead this esteemed organisation and would like to extend my gratitude to all of you for your continued support. We stay committed in our endeavour to build sustainable food systems for the food security of the country and the globe, through our comprehensive and integrated presence across the shrimp aquaculture value-chain.

### Market developments

Shrimp value-chain business is exposed to several external challenges. We are reassessing all controllable factors to build resilience and help sustain long-term value creation for all stakeholders. I am quite optimistic of the opportunities ahead. As we reflect on our journey over the past few years, it is evident that we have faced unprecedented challenges since the onset of the COVID-19 pandemic. The pandemic disrupted our operations, markets, and supply chains, creating a landscape of uncertainty and volatility.

However, amidst these difficulties, we experienced a remarkable recovery in 2021, driven by a surge in market demand particularly from the 'West' as people resumed normal activities and consumption patterns. However, this positive momentum was short-lived as we entered 2022. Since then, we have faced a slowdown in the market, with demand de-growing due to high inflation rates, particularly in the United States. Compounding these challenges, the Russia-Ukraine war and other emerging crises have had a cascading effect on global consumption patterns, particularly in Europe and other nations.

On the 'Eastern' front, post-2022, while Chinese consumption began to recover after they re-opened from lockdown, but two of our largest markets the US and Europe - started to show signs of slowdown. In midst of these, production from Ecuador, surged, leading to an oversupply in the market. This increase in supply, combined with subdued global demand, caused a substantial drop in prices. As a result, farm gate prices also plummeted, adversely affecting the entire value chain. The ramifications of these market shifts have been felt across our operations. The crash in prices has not only affected shrimp farmers but also reverberated through feed companies, including ours. We faced considerable price challenges, as the high costs associated with inflation could not be passed on to the farmers. The farmers, already burdened by losses and the high supply, were unable to absorb additional costs. This situation created a significant strain on our financial performance.

## Performance and Operational highlights

Financial Year 2023-24 was a year of mixed performance for us. We reported total income of Rs.342 Crores which jumped by 11.6 % due to a credible performance of our revamped Shrimp processing unit. We operated the processing unit at a capacity of 40% during the first year of operations.

As we reflect on the past couple of years, it is crucial to acknowledge the widespread impact the challenging market conditions have had on all stakeholders within our industry. The ripple effects of these challenges have been deeply felt by farmers, dealers, and manufacturers alike. The sudden market downturn, coupled with low international prices, has severely impacted our operations and the broader industry landscape. Farmers have been at the forefront of this crisis. The abrupt decline in shrimp prices and the subsequent market volatility have severely impacted their revenues and working capital. This shortfall in working capital led to a contraction in feed demand, as farmers were unable to invest in necessary inputs for their operations. In response to these challenges, every company within the supply chain became increasingly cautious while extending credit. The risk of defaults and financial instability have forced companies to tighten their credit policies, further straining the financial resources available to farmers and dealers. This cautious approach, while necessary to manage risk, has compounded the difficulties faced by our farmers, exacerbating the slowdown in production and overall industry growth.

In response to the evolving market conditions and to better align with our operational goals, we decided to shift our focus away from the Gujarat and other shrimp-producing markets, placing our entire emphasis on Andhra Pradesh predominantly through cash sales.

Our decision to concentrate on Andhra Pradesh stems from its strategic importance and the significant role it plays in the shrimp farming industry. By focusing our efforts on this region, we aim to leverage its potential and maximize our impact. To support this initiative, we have appointed new channel partners and extended attractive incentives to them. While these incentives have impacted our bottom line in the short run, we believe they are crucial for building strong, long-term partnerships and driving sustainable growth.

In addition to realigning our market focus, we have made substantial improvements on the distribution front. We have established new depots specifically to cater to the markets of Krishna, East Godavari, and West Godavari regions. These areas are pivotal to the shrimp value chain, and our enhanced distribution capabilities will ensure that we can effectively meet the demands of these key markets. This strategic move not only improves our supply chain efficiency but also strengthens our presence in regions where the maximum trade of shrimp occurs.

At Waterbase, we are implementing stable strategies and embracing agility to meet unforeseen challenges and changes that are affecting our business operations.

One of the notable highlights of our recent history is the restart of our processing and export operations after a long hiatus since 2007. In the fourth quarter of FY 22-23, we undertook a comprehensive renovation and modernization of our processing plant. This investment was crucial to enhance our production capabilities and ensure compliance with international standards. The modernized facility has enabled us to restart our export operations with renewed vigour and efficiency. I am proud to announce that in the last fiscal year, FY 23-24, we achieved significant growth in our export volumes. We successfully exported 138 containers to key markets in Europe, Asia, and the United States. This is a substantial increase from the previous fiscal year, reflecting our commitment to quality, efficiency, and market expansion. Going forward we aim to increase our exports footprints to new destinations.

## Outlook

Looking ahead, our primary focus for the next three to four years will be on further developing and scaling our processing unit. This strategic initiative is designed to enhance our production capabilities and ensure we meet the growing global demand for high-quality shrimp products. Alongside this, we are committed to rebuilding our feed business within the same timeframe. By diversifying our revenue streams and reducing our reliance on the livestock segment, we aim to create a more resilient and sustainable business model.

We also reinforce our commitment behind our sustainability initiatives to build a greener, sustainable, and equitable future for the planet. I extend my sincere appreciation to the Board and the stakeholders for your continued support and encouragement.

Warm Regards

**Ramakanth V Akula**

Chief Executive Officer

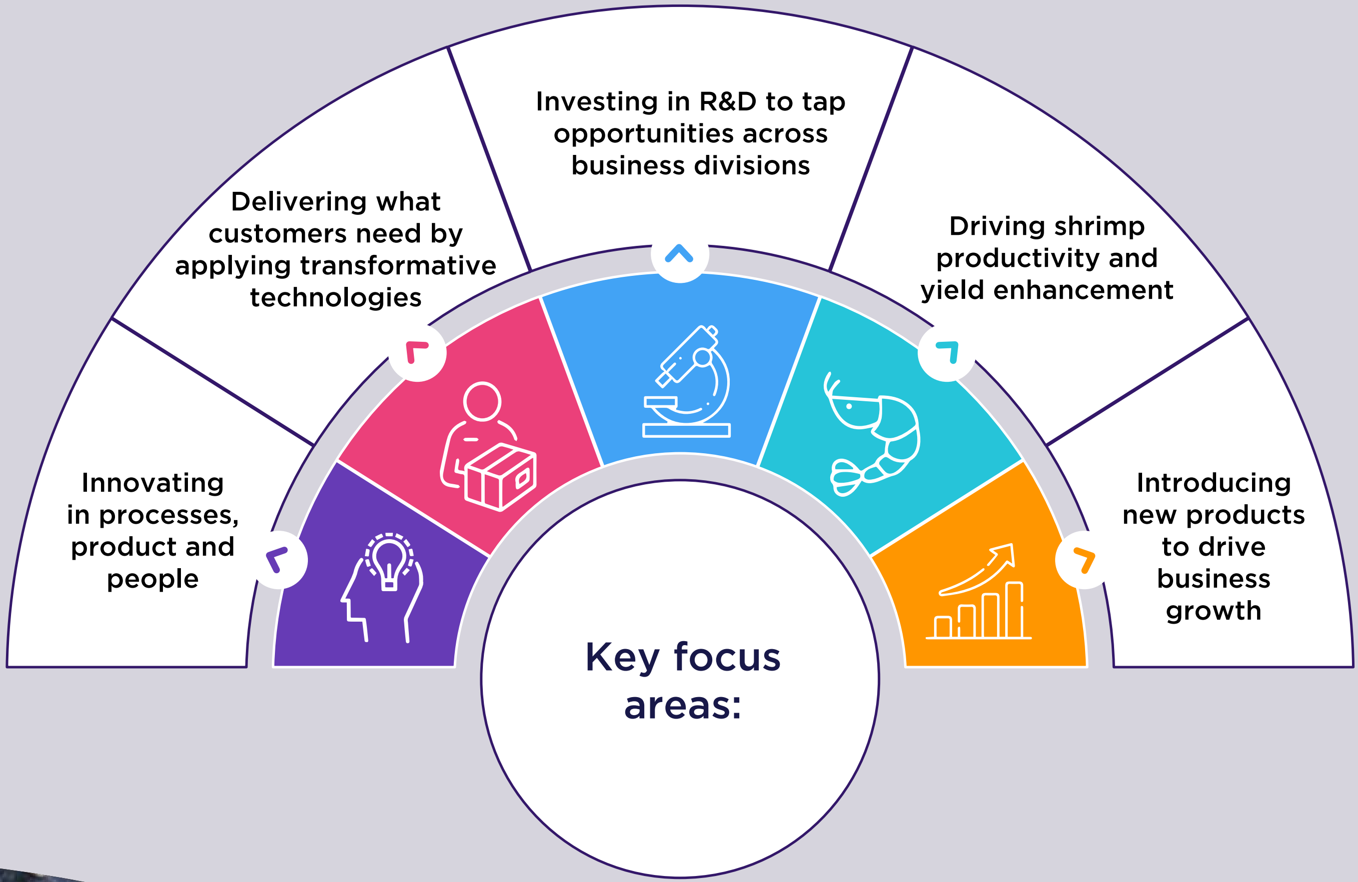
# Strong brand reputation

Food Safety, Traceability and Sustainability are very critical to the consumers in the global seafood market along with prices. The discerning consumers want to have the complete information viz. nutritional facts, source of the product and how it is handled from the farm to fork. Global certifications provided by reputed agencies are also critical indicators of adherence to high standards of quality and sustainability amongst the buyers.

As a pioneer, we have been untiringly contributing to the development of shrimp aquaculture for over three decades. We enjoy the status of being the sectoral thought leader. We are committed to the promotion & growth of sustainable aquaculture in India through responsible sourcing, eco-friendly practices, innovation and farmers' education. We make no compromises, when it comes to quality, food safety, traceability and sustainability.

Waterbase has been in the forefront of understanding global trends and has successfully brought in the requisite changes for the benefit of all stakeholders, we played a pivotal role in the introduction of Vannamei into India. We take pride for having introduced Vannamei shrimp feed in India, we played a significant role in popularizing Vannamei farming. Today India is among the top 3 shrimp producing nations of the world, an outcome of our pioneering role.

Our diverse range of products cater to the various needs of the customers in the entire shrimp value-chain. We are deeply committed to strengthen the "Waterbase" brand and towards this we have ensured strict quality compliance besides developing strong work ethics. Our research and development team comprises qualified researchers with considerable experience in the aqua sector.


Key focus areas:
Innovating in processes, product and people
Delivering what customers need by applying transformative technologies
Investing in R&D to tap opportunities across business divisions
Driving shrimp productivity and yield enhancement
Introducing new products to drive business growth

## Focus on sustainability

We believe that long-term business sustainability and value creation are closely connected to social integration. We are committed to delivering products that are safe and sustainable with minimal impact to the planet. We always integrate healthy human resource practices, environment, health and safety considerations into business planning and decision making. We are always inspired by our own guiding principles of conducting our businesses with a human touch.

### Environment sustainability

We have implemented energy-efficient technologies and practices in our manufacturing processes thereby reducing the carbon footprint. We have ensured proper treatment and disposal of waste products thereby preventing environmental contamination.

### Fostering a healthy client-supplier relationship

We work very closely with our network of supply chain partners. Our supply chain process is focussed on using a multi-pronged approach of vendor segmentation and developing long-term supplier partnerships. We treat our vendors as business partners through a fair and transparent governance process.

### Nurturing people of tomorrow

We believe in offering the ideal platform for growth to all our employees, preparing them to take up any challenge that comes their way. Our skilled team derives a strong sense of satisfaction in making meaningful contributions to the sector and society. With deep comprehension of on-the-ground challenges and constantly changing market requirements, our team responds to them with adeptness while resonating with rural and semi-rural perspectives.

In order to attract the right talent, we prioritize transparent, open, and consistent communication. This approach helps us to strengthen our employer brand, aids in recruiting talent from diverse backgrounds to bring varied perspectives and skills to our team. We are committed to upskilling and enhancing the capabilities of our employees. Strong leadership, passion, and commitment are essential qualities we value, leading us to prioritize the overall growth and development of our talented workforce.

## Products covering the gamut of Shrimp Aquaculture

Waterbase produces wide range of shrimp feeds from its plants installed with advanced pelleting technology machines and fully automated computer-controlled operation. Formulations are designed by international nutritional experts, tested in realtime R&D farms before they are launched.

Our Baylife range of animal health care and farm care products are introduced after several years of research to help aqua farmers to increase the productivity and mitigate disease situations. These products are antibiotic free and offer excellent solutions for sustainable aquaculture.

Our shrimp processing unit combines cutting-edge technology and state-of-the-art storage facilities to ensure that the final processed shrimp remains safe for consumption.

## Sustainability through caring

At Waterbase, we view value creation as an encompassing goal that goes beyond the realms of business to contribute to the society at large. This core value is our commitment to the community's well-being for longterm sustainability. We always work diligently to establish a robust Corporate Social Responsibility (CSR) Framework compliant to the Companies Act, 2013. The Board identifies key sectors for implementing CSR initiatives as well as tracking their progress. We aim to use our resources effectively to continue making a difference in the communities around us through focused projects.

We are proud advocates of the "Kashvi Programme," dedicated to providing educational opportunities to girls and women who have dropped out of school. Regardless of their age, income, or location, this initiative aims to help them complete their secondary education through the National Institute of Open Schooling(NIOS) and acquire essential life skills simultaneously.

Since its inception in 2020, Kashvi has established over 53 centers in Jharkhand and West Bengal. We have created comfortable, safe, and hygienic learning environments that are equipped with electricity, water, computers, and internet.

During the year, the Kashvi team was selected to prepare an Alternate School Education Curriculum for the Jharkhand Education Department. Block Educational Officers (BEOs) provided a list of school dropout girls and women in their respective blocks for enrollment in the Kashvi Onsite/Digital Program.

The Jharkhand Education Project Council (JEPC) and the Jharkhand Education Department granted Kashvi access to Village Community Centres (Samudaya Bhavans) to operate its centres.

During the financial year 2023-24, the company spent Rs.6.18 lakhs towards its CSR initiatives.


# Corporate information

CIN: L05005AP1987PLC018436

**Mr. Vikramaditya Mohan Thapar,**
Chairman Emeritus

## Board of Directors

**Mr. Varun Aditya Thapar,**
Chairman, Non-Executive Director

**Ms. Nitasha Thapar,**
Non-Executive Director

**Mr. Anil Kumar Bhandari,**
Independent Director

**Mr. Rahul Kapur,**
Independent Director

**Ms. Shashikala Venkatraman,**
Independent Director

**Mr. Rahul C Mehta**
Independent Director

## Chief Executive Officer

**Mr. Ramakanth V Akula**

## Chief Financial Officer

**Mr. R Sureshkumar**

## Company Secretary & Compliance Officer

**Mr. Bala Arumugam**

## Registered Office

Ananthapuram Village, Nellore
Andhra Pradesh – 524344

## Corporate Office

Thapar House, 37, Montieth Road
Egmore, Chennai - 600 008
Phone: 044-45661700
E-mail: info@waterbaseindia.com
investor@waterbaseindia.com
Website: www.waterbaseindia.com

## Stock Exchange

BSE Limited
Phiroze Jheejeebhoy Towers
Dalal Street, Mumbai - 400001
Website: www.bseindia.com

## Statutory Auditor

M/s Deloitte Haskins & Sells LLP,
Chartered Accountants
Chennai

## Internal Auditors

M/s Ernst & Young LLP
Chennai

## Secretarial Auditor

M/s Rengarajan & Associates,
Practicing Company Secretaries
Chennai

## Bankers

State Bank of India
YES Bank
Axis Bank
ICICI Bank

## Registrars & Share Transfer Agent

Cameo Corporate Services Limited
Subramaniam Building, No. 1
Club House Road, Chennai - 600 002
Phone: 044-28460390 / 391/ 392 / 393 / 394
Fax: 044-28460129
Email: investor@cameoindia.com
Website: www.cameoindia.com

# Management Discussion and Analysis Report

## ECONOMIC SCENARIO

### GLOBAL ECONOMIC OVERVIEW

As per the International Monetary Fund's World Economic Outlook (WEO), the risks to global growth are broadly balanced and a soft landing is a possibility with the global growth projected at 3.1% in 2024 and 3.2% in 2025, with the 2024 forecast 0.2% higher than the previous WEO released in October 2023, on account of greater-than expected resilience in the United States and several large emerging market and developing economies, as well as fiscal support in China. The forecast for 2024–25 is, however, below the historical (2000–19) average of 3.8%, with elevated central bank policy rates to fight inflation, a withdrawal of fiscal support amid high debt weighing on economic activity, and low underlying productivity growth.

World trade growth is projected at 3.3% in 2024 and 3.6% in 2025, below its historical average growth rate of 4.9%. In emerging market and developing economies, growth is expected to remain at 4.1% in 2024 and to rise to 4.2% in 2025.

Growth in India is projected to remain strong at 6.5% in both 2024 and 2025, with an upgrade of 0.2% points for both years, reflecting resilience in domestic demand.

*Source: World Economic Outlook.*

### INDIAN ECONOMIC REVIEW

Amongst the G20 grouping of large nations, India is steering to be the fastest growing economy. After rapid economic growth of 7.2% in the 2022-23 fiscal year, India's GDP growth rate in the fiscal year 2023-24 was forecasted to be 6.9%.

The Ministry of Statistics and Programme Implementation (MoSPI) in its second advance estimates that India's GDP during 2023-24 is at 7.6 percent as compared to growth rate of 7.0 percent in 2022-23. Whereas the Reserve Bank of India's GDP growth estimate for FY24 is 7%, the International Monetary Fund's (IMF) forecasts 6.7%. As per the IMF, India is likely to become the third-largest economy in 2027 in USD at market exchange rate. It also estimates that India's contribution to global growth will rise by 200 basis points in 5 years.

The Ministry of Finance vide their press release has stated that the Indian economy demonstrated resilience and maintained healthy macroeconomic fundamentals, despite uncertainty from adverse geopolitical developments. The Government's fiscal policy stance has been to make the domestic economy more resilient to exogenous shocks and to mitigate the risks of global economic downturn without compromising on the overall macroeconomic balances.

*Source: IMF, S&P Global  Government Press release.*

## GLOBAL SEAFOOD MARKET

The seafood market size has grown strongly in recent years. It will grow from $236.61 billion in 2023 to $254.2 billion in 2024 at a growth rate of 7.4%. The expansion observed in the historical period can be ascribed to factors such as culinary diversity and globalization, improvements in cold chain logistics, consumer preferences for convenience, seasonal and cultural consumption patterns, and adherence to health and safety standards.

*Source: Research and Markets.*

## GLOBAL SHRIMP MARKET

The global shrimp market size was USD 40.35 billion in 2023 and is projected to grow from USD 42.90 billion in 2024 to USD 74.24 billion by 2032 at a CAGR of 7.09% during the 2024-2032 period. Asia Pacific dominated the shrimp market with a market share of 38.22% in 2023.

The global impact of COVID-19 has been unprecedented and staggering, with shrimp witnessing a negative impact on demand across all regions amid the pandemic. Based on our analysis, the global market exhibited decline in growth of 16.46% in 2020 as compared to the average year-on-year growth during 2017-2019. The rise in CAGR is attributable to this market's demand and growth, returning to pre-pandemic levels once the pandemic is over.

*Source: Fortune Business Insights*

## INDIAN SEAFOOD MARKET

India's seafood exports touched an all-time high in volume during the financial year 2023-24 despite various challenges in significant export markets. India shipped 17,81,602 MT of seafood worth ₹ 60,523.89 crore (US$7.38 billion) during 2023-24.

Frozen shrimp remained the major export item in quantity and value, while the USA and China became the major importers of India's seafood. During FY 2023-24, the export improved in quantity terms by 2.67%. In 2022-23, India exported 17,35,286 MT of seafood worth ₹ 63,969.14 crore (US$8,094.31 million).

*Source: Press Release - Ministry of Commerce & Industry.*

## INDIAN SHRIMP INDUSTRY:

Frozen shrimp, which earned ₹40,013.54 crore (US$4881.27million), retained its position as the top item in the seafood export basket, accounting for a share of 40.19% in quantity and 66.12% of the total dollar earnings. Shrimp exports during the period increased by 0.69% in quantity terms. The export of frozen shrimps during 2023-24 was pegged at 7,16,004 MT. The USA, the largest market, imported 2,97,571 MT of frozen shrimp, followed by China (1,48,483MT), the European Union (89,697 MT), Southeast Asia (52,254MT), Japan (35,906MT), and the Middle East (28,571 MT).

The export of black tiger (BT) shrimp increased by 24.91%, 11.33% and 8.28% in quantity, value ₹ and US$ terms, respectively, in 2023-24.BT shrimps were exported to the tune of 38,987 MT worth ₹ 2855.27 Cr (US$347.84 million). China (including Hong Kong) turned out to be the major export destination for black tiger shrimp with a share of 28.43% in terms of US$ value, followed by the USA (18.21%),European Union (18.06%) and Japan (13.12%).

*Source: Press Release - Ministry of Commerce & Industry.*

# Management Discussion and Analysis Report

## BUSINESS AND FINANCIAL OVERVIEW

Established over 30 years ago, The Waterbase Limited is an industry leader in the Indian domestic aquaculture sector. It benefits from robust financial support and is part of the Karam Chand Thapar Group, one of India's most established and diverse business families, with interests in aquaculture, coal logistics, and real estate. The Waterbase's operations encompass several areas including hatchery, shrimp feed, farm care products, farming, and processing and exports. The company possesses a manufacturing capacity for shrimp feed of 110,000 MT and processing plant capacity of 5,000 MT.

The financial statements of the company were compiled adhering to the Indian Accounting Standards (also known as 'Ind AS'), as per the notification from the Ministry of Corporate Affairs following Section 133 of the Companies Act 2013 ('Act'), along with the Companies (Indian Accounting Standards) Rules 2015 as they have been updated, and other relevant clauses within the Act.

The Company's credit facilities are rated by CARE Ratings. As per the last rating dated December 6, 2023, the Company has long-term rating of CARE BBB+ and short-term rating of CARE A2.

**Its brief financial performance for 2023-24 is given below:** (Amount in Rs. Lakhs)

| Particulars | For Year ended March 31, 2024 | For Year ended March 31, 2023 |
|---|---|---|
| Revenue from Operations | 33,925.31 | 30,407.83 |
| EBITDA | (183.39) | 593.22 |
| Depreciation and Interest on Borrowings | 1,140.83 | 1,029.30 |
| Profit/(Loss) before tax | (1,324.22) | (436.08) |
| Tax expenses | (280.61) | (89.28) |
| Loss for the year | (1,043.61) | (346.80) |

**Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in Key Financial Ratios, alongwith detailed explanations thereof including:**

| Ratios | 2023-24 | 2022-23 | % Change | Reason (if more than 25% change) |
|---|---|---|---|---|
| Debtors Turnove Ratio | 5.12 | 4.80 | 7% | |
| Inventory Turnover Ratio | 4.18 | 4.49 | -7% | |
| Net capital turnover ratio (in times) | 3.72 | 3.11 | 20% | |
| Current Ratio | 2.33 | 1.96 | 19% | |
| Debt-Equity Ratio | 0.15 | 0.21 | -28% | Decrease in borrowings during the year compared to last year resulted in decrease in Debt Equity Ratio. |
| Net Profit Margin (%) | -3.15% | -1.15% | 174% | Net loss and higher raw material cost resulted in lower Net Profit Ratio for the current year |

## RISK MANAGEMENT

A company in its normal course of working takes on many risks. The identification, monitoring and mitigation of these risks are integral to the success of the company. Risk Management at Waterbase broadly covers the above risk. The risk management framework is based on a meticulous assessment of risks through proper analysis and understanding of the underlying risks before undertaking any transactions and changing or implementing processes and systems. This risk management mechanism is supported by regular review, control, self-assessments and monitoring of key risk indicators.

| Key Risk | Risk Mitigation |
|---|---|
| **Financial risk:** Market threats include elevated feed input prices and increasing competition. | The Company's approach towards its business through vertical and horizontal integration mitigates the risk of dependence on a single product / vertical.<br>Modernisation and expansion of its processing plant would help the Company to become more competitive and increase its market share in the processing business. |
| **Credit Risk:** Loss of crop (shrimp) may lead to non-payment of dues by customers. | The Company's strategy to regulate credit to aqua farmers with reduced credit periods and focus on sales through cash will mitigate credit risks. |

# Management Discussion and Analysis Report

| Key Risk | Risk Mitigation |
|---|---|
| **Disease risk:** Occurrence of various disease - viral, bacterial and fungal can adversely impact the shrimp farming. | The sector is governed by MPEDA and CAA and the SOPs laid down by them acts as a key factor helping us to avert severe/ major disease outbreaks.<br>Better farm management practices through good pond preparation, quality seed selection, water quality management, feed management, health monitoring, pond bottom monitoring, disease management, emergency harvest, harvest and post-harvest, food safety and environmental awareness have slowly prevented shrimp disease outbreaks.<br>The Company has also effectively advocated use of its farm care and animal healthcare range of products to lower the impact of diseases |
| **Quality risk:** Inability to service the customers with quality products which includes any microbiological contamination in the processed shrimps or chemicals in feeds could affect the demand for the Company's products. | The Company emphasises quality products and has a stringent quality control process in place to ensure monitoring of products.<br>The feeds manufactured by the Company are free from antibiotics and banned substances to ensure food safety.<br>The Company is accredited with ISO 9001 for both its feed plants, thereby validating its quality commitment.<br>The processing unit is EU, USFDA, HACCP, FSSAI, BAP, BRC, Halal and other global standards compliant. |
| **Regulatory and Trade risks:** Any modifications in the governmental policies related to aquaculture, export incentives, will impact the Company's business.<br>Import Restrictions by way of higher duties and other non-tariff barriers may impact the company's exports. | The Company complies continuously monitors and adapts to the changes in Law. It is abrest with changes in policies and quickly responds to the same.<br>In order to mitigate the risk of sudden or abrupt Import restrictions by any one country the company plans to export to various continents and countries. |

## INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company's internal financial controls are commensurate with the nature of its business, the size, and complexity of its operations and such internal financial controls with reference to the Financial Statements are adequate. The controls were tested during the year and no reportable material weaknesses either in their design or operation were observed. To maintain independence and objectivity in its function, the Internal Auditor reports directly to the Audit Committee of the Board.

Further, your Company's Internal Financial Controls (IFC) has been reviewed and all necessary steps have been taken to strengthen financial reporting and overall risk management procedures. Detailed procedural manuals are in place to ensure that all the assets are safeguarded, protected against loss, proper prevention & detection of frauds & error, the accuracy and completeness of the accounting records, and all transactions are authorized, recorded and reported correctly.

## MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS

Waterbase considers employees as the most valued asset, who are at the core of the business. Human capital is the most important business driver. A strong people culture is the soul of the organization and biggest competitive advantage for a sustainable growth.

As an organization, all colleagues, at every level, are part of the organization's growth strategy and are empowered enough to take business decisions. The Company takes care of them much beyond salary pay and perks and ensures that they get best-in-class learning and career advancement opportunities. The key pillars of the core philosophy are talent care and development, empowerment and decision making at all levels, innovation, agility and digital transformation.

The Company understands that internal selection and succession is very critical for the long-term sustenance of the business as it ensures business continuity, preserves corporate culture, enhances knowledge capital and fuels the ambitions of the company's talent leading to better retention. It is ensured that internal talent is groomed for the next level responsibilities.

As on March 31, 2024, there are 282 permanent employees on the payroll of the Company.

## CAUTIONARY STATEMENT

This statement made in this section describes the Company's objectives, projections, expectation and estimations which may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Forward–looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised by the Company. Actual result could differ materially from those expressed in the statement or implied due to the influence of external factors which are beyond the control of the Company. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent developments.

# Directors Report

Your Directors have great pleasure in presenting the Thirty-Seventh Annual Report on the business and operations of the Company, together with the Audited Financial Statements for the year ended March 31, 2024.

## 1. FINANCIAL SUMMARY

The summarized standalone and consolidated results of your Company are given in the table below:

(₹ in Lakhs)

| Particulars | Standalone | | Consolidated | |
|---|---|---|---|---|
| | Financial Year ended | | Financial Year ended | |
| | 31.03.2024 | 31.03.2023 | 31.03.2024 | 31.03.2023 |
| Revenue from Operations | 33,925.31 | 30,407.83 | 33,925.31 | 30,407.83 |
| Other Income | 308.21 | 264.44 | 308.21 | 264.44 |
| **Total Income** | **34,233.52** | **30,672.27** | **34,233.52** | **30,672.27** |
| Operating Expenditure | 34,305.39 | 30,002.86 | 34,306.91 | 30,003.75 |
| Operating Profit before Depreciation, Interest & Tax | (71.87) | 669.41 | (73.39) | 668.52 |
| Finance Cost | 300.62 | 210.96 | 300.65 | 210.97 |
| Depreciation and Amortization Expense | 951.73 | 894.53 | 951.73 | 894.53 |
| **Profit/(Loss) Before Tax** | **(1,324.22)** | **(436.08)** | **(1,325.77)** | **(436.98)** |
| Tax Expense: | | | | |
| a) Current Tax | - | - | - | - |
| b) Deferred Tax | (280.61) | (89.28) | (280.61) | (89.28) |
| **Profit/(Loss) After Tax** | **(1,043.61)** | **(346.80)** | **(1,045.16)** | **(347.70)** |
| Basic EPS (₹) | (2.52) | (0.84) | (2.52) | (0.84) |
| Diluted EPS (₹) | (2.52) | (0.84) | (2.52) | (0.84) |

## 2. FINANCIAL STATEMENTS

The Standalone and Consolidated financial statements for the year ended March 31, 2024 have been prepared under Ind AS (Indian Accounting Standards) by the Company. The Board on the recommendation of the Audit Committee, approved both the Standalone and Consolidated Audited financial statements for the year ended March 31, 2024 at its meeting held on May 29, 2024.

## 3. ECONOMIC ENVIRONMENT

**Global economic environment**

The global economy continues to confront the challenges of inflation and low growth prospects. GDP growth has been stronger than expected, but is now moderating on the back of tighter financial conditions, weak trade growth and lower business and consumer confidence.

The International Monetary Fund (IMF) predicts world economic growth to continue to grow at 3.2% during 2024 and 2025, at the same pace as in 2023. Headline inflation continued to decelerate from 6.8% in 2023 on year-on-year basis to 5.9% in 2024 and 4.5% in 2025. Despite central bank interest rate hikes to restore price stability, households in key economies were able to rely on sizeable savings built during the pandemic, contributing to surprising economic resilience. Global economic activity grew steadily, defying warnings of stagflation and global recession.

### India economic environment

India continued to show resilience against the backdrop of a challenging global environment. Despite significant global challenges, India remained one of the fastest growing major economies. The resilience was underpinned by robust demand, strong public infrastructure investment and a strengthening financial sector.

## 4. COMPANY PERFORMANCE

### Standalone Operations

Standalone Revenue from Operations for the Financial Year ended March 31, 2024 was ₹ 339.25 crores, as against ₹ 304.08 crores in the previous Financial Year. The Loss After Tax for the year was ₹ 10.44 crores as against loss after tax of ₹ 3.47 crores for the previous year.

### Consolidated Operations

Consolidated Revenue from Operations for the Financial Year ended March 31, 2024 was ₹ 339.25 crores, as against ₹ 304.08 crores in the previous Financial Year. The Loss After Tax for the year was ₹ 10.45 crores as against loss after tax of ₹ 3.48 crores for the previous year. These consolidated figures include the financial performance of M/s. Waterbase Frozen Foods Private Limited, Subsidiary Company (erstwhile Saatatya Vistaar Oorja Bengaluru Private Limited).

## 5. NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR

The Company's equity investment in Waterbase Frozen Foods Private Limited (erstwhile Saatatya Vistaar Oorja Bengaluru Private Limited), continues at 100% as on March 31, 2024.

During the year, the Company made an investment of ₹ 8,00,000/- (Rupees Eight Lakhs) in the share capital of the Waterbase Frozen Foods Private Limited (erstwhile Saatatya Vistaar Oorja Bengaluru Private Limited) on March 28, 2024.

Apart from the above, the Company has not made any investment in any other entity.

## 6. CHANGES TO THE SHARE CAPITAL

The Authorized Share Capital of the Company as on March 31, 2024 is ₹ 65,00,00,000/- divided into 6,00,00,000 equity shares of ₹ 10/- each and 5,00,000 preference shares of ₹ 100/- each.

The Paid-Up Share Capital of the Company as on March 31, 2024 is ₹ 41,42,67,790 comprising of 4,14,26,779 equity shares of ₹ 10 each. During the year under review, the Company has not issued any shares.

## 7. DIVIDEND

Considering the business position and financial performance, the board has not recommended any final dividend for the FY 2023-24. Hence, no appropriations have been made to general reserves.

## 8. INVESTOR EDUCATION AND PROTECTION FUND

### Transfer of Unpaid/ Unclaimed Dividend & Share Application Money to Investor Education and Protection Fund (IEPF)

Pursuant to the provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules) all dividends, which remains unpaid or unclaimed for a period of seven years are required to be transferred by the Company to the IEPF established by the Central Government. Further, according to the IEPF Rules, the shares in respect of which dividend has not been encashed by the shareholders for seven consecutive years or more are also required to be transferred to the Central Government (Demat account created by the IEPF Authority).

During the year, the Company has not transferred any unclaimed dividend to the IEPF established by the Central Government. The Company has also not transferred any Equity Shares in respect of which dividend has not been paid or claimed for seven consecutive years or more as enunciated under Section 124 (6) of the Act.

### Details of Nodal Officer

The details of the Nodal / Investor Grievance Officer appointed by the Company under the provisions of IEPF are given below and the same is disseminated on the website of the Company www.waterbaseindia.com/contact_us.php.

| | |
|---|---|
| **Name of the Company Secretary designated as Nodal Officer** | Bala Arumugam |
| **Direct Phone No.** | 044-45661700 |
| **Email ID** | investor@waterbaseindia.com |
| **Address** | The Waterbase Limited<br>Thapar House,<br>37, Montieth Road,<br>Egmore, Chennai – 600 008 |

## 9. FIXED DEPOSIT

The Company has not accepted any deposit within the meaning of Chapter V of the Act and the Rules framed thereunder during the year under review.

## 10. MATERIAL CHANGES AND COMMITMENTS IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the Financial Year of the Company to which the financial statements relate and the date of the Report.

# Directors Report

## 11. CHANGE IN THE NATURE OF BUSINESS, IF ANY

There was no change in the nature of business of the Company during the Financial Year 2023-24.

## 12. SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS / COURTS / TRIBUNALS

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

## 13. CREDIT RATING

The Company's credit facilities are rated by CARE Ratings. As per the last rating dated December 6, 2023, the Company has long-term rating of CARE BBB+ and short-term rating of CARE A2.

## 14. BOARD OF DIRECTORS AND ITS COMMITTEES

### A. Composition of the Board of Directors

As on March 31, 2024, the Board of Directors of the Company comprised of Six Non- Executive Directors, which included, four Independent Directors. The composition of the Board of Directors is in compliance with the provisions of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirement), Regulations, 2015 (hereinafter referred also as "Listing Regulations" or SEBI (LODR), 2015) and Section 149 of the Act.

### B. Change in office of Directors and Key Managerial Personnel of the Company during the year under review and details of Directors seeking appointment at the 37th Annual General Meeting.

Mr. Vikramaditya Mohan Thapar was resigned from Chairmanship and Directorship of the Company with effect from August 04, 2023 and based on the recommendation of the Nomination and Remuneration committee meeting on August 4, 2023, the board approved the proposal to appoint Mr. Vikramaditya Mohan Thapar as 'Chairman Emeritus' of the Company with effect from August 5, 2023.

Based on the recommendation of the Nomination and Remuneration committee meeting the Board apponted Mr. Varun Aditya Thapar as the Chairman of the Board with effect from August 5, 2023.

Based on the recommendation of the Nomination and Remuneration committee, the board appointed Mr. Rahul Chandrasingh Mehta as an Additional Director(Non-Executive & Independent Director) with effect from October 26, 2023. The shareholders vide their resolution dated January 20, 2024 through postal ballot approved the appointment of Mr. Rahul Chandrasingh Mehta (DIN: 00397420) as an Independent Director of the Company.

The Notice of the ensuing Annual General Meeting includes the proposal for appointment and / or re-appointment of Directors and their brief resume, specific information about the nature of expertise, the number of Companies in which they hold Directorship and Membership / Chairmanship of the Board Committees as stipulated in the Act and the Listing Regulations.

Mr. Anil Kumar Bhandari, Independent Director, has completed his second term of appointment and has retired from the Board with effect from May 14, 2024.

Mr. Rahul Kapur, Independent Director, has completed his first term of appointment with effect from May 14, 2024 and based on the recommendation of Nomination and Remuneration committee, he has been re-appointed through circular resolution dated May 14, 2024 by the Board with effect from May 15, 2024 for a period of five consecutive years.

Ms. Shashikala Venkatraman, Independent Director would be completing her first term of appointment with effect from November 13, 2024 and based on the recommendation of Nomination and Remuneration committee, she has been re-appointed through circular resolution dated May 14, 2024 by the Board with effect from November 14, 2024 for a period of five consecutive years

### C. Criteria for Determining Qualifications, Positive Attributes and Independence of a Director

The Nomination and Remuneration Committee has formulated Nomination and Remuneration Policy, which details the criteria for determining qualifications, positive attributes and Independence of Directors in terms of provisions of Section 178(3) of the Act and the Listing Regulations. The policy forms part of this report.

### D. Declaration by Independent Directors

All the Independent Directors, have furnished a declaration that they meet the criteria of independence as envisaged in Regulation 16 of the Listing Regulations and Section 149(6) of the Act. In the opinion of the Board, the Independent Directors of the Company possess necessary expertise, integrity and experience.

### E. Certificate from Practicing Company Secretary

Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the Listing Regulations, M/s Rengarajan & Associates, Company Secretary in Practice, Chennai, has certified that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Director of the Company by the Board/ Ministry of Corporate Affairs or any such statutory authority.

### F. Number of Meetings of the Board of Directors

The Board meets at regular intervals to adopt financial results and consider and decide business policies and strategic proposals apart from other items of business. The Board and Committee meetings are pre-scheduled and a tentative annual calendar of meetings is circulated to the Directors in advance to ensure participation of all Directors.

During the year under review, four Board meetings were held and meetings of sub-committees were also held on regular intervals. The intervening gap between the meetings was within the period prescribed under the Act and the Listing Regulations. The details of the meetings are given in the Report on Corporate Governance which forms part of this Report. The Company provides all the Board members the facility to participate in the meetings of Board and Sub-committees through Video Conferencing / Other Audio-Visual Means.

Pursuant to the requirements of Schedule IV to the Act and the Listing Regulations, a separate Meeting of the Independent Directors of the Company was held on March 29, 2024, and the Directors reviewed and assessed the matters enumerated under Schedule IV(VII)(3) to the Act and Regulation 25(4) of the Listing Regulations. All the Independent Directors except Mr. Anil Kumar Bhandari attended the meeting.

**G. Statutory Committees of the Board**

Pursuant to the requirements under the Act and the Listing Regulations, the Board of Directors has constituted various Committees of Board such as Audit Committee ("AC"), Nomination and Remuneration Committee ("NRC"), Stakeholders' Relationship Committee ("SRC"), and Corporate Social Responsibility ("CSR") Committee.

The composition and terms of reference of AC, NRC, SRC and CSR and number of meetings held during the year under review are given in the Report on Corporate Governance forming part of this Annual Report as Annexure 5.

**H. Board Evaluation and Familiarization**

Pursuant to the provisions of the Act and the Listing Regulations, the Board has carried the annual performance evaluation of its own performance, the Directors (excluding the Director being evaluated) as well as the sub-committees of the Board. The Nomination and Remuneration Committee of the Company has carried out evaluation of performance of each Individual Director. Performance evaluation was made based on structured questionnaire considering the indicative criteria prescribed in the Nomination & Remuneration Policy of the Company read with SEBI Guidance Note on Board Evaluation.

Evaluation of the Board was made based on the role played by the Board in decision making, evaluating strategic proposals, discussing annual budgets, assessing adequacy of internal controls, review of risk management procedures etc. The evaluation of individual Director was carried out based on various parameters such as participation in the Board and its Committee meetings, contribution towards strategic proposals, suggesting risk mitigation measures, supporting in putting place internal controls, governance, leadership and talent development and managing external stakeholders. Performance evaluation of various sub-committees of the Board was carried out based on the criteria such as constitution, effective functioning of the Sub-committees as per the terms of reference, periodical suggestions and recommendations given by the Sub-committees to the Board etc.

In the meeting of Independent Directors held during the year, the members evaluated the performance of the Chairman based on criteria such as giving guidance to the Board and ensuring the independence of the Board etc. The performance of the Non-Independent Directors was also evaluated based on their contribution made to the growth of the Company, strategic initiatives and Board deliberations.

The Company takes all steps necessary to keep the Directors apprised of key developments in the Business and Industry and to familiarize them for enabling their contribution and good governance. Since the Independent Directors are the critical link in any successful Corporate Governance program, a detailed Appointment Letter incorporating the roles, duties and expectations, remuneration, insurance cover, code of conduct, etc., is issued for the acceptance of the Independent Directors.

Further, as part of the Board/ Committee Meetings, the Independent Directors are briefed about the developments impacting the Industry, various strategic initiatives of the Company, update on operations etc. Product information brochures and Annual Reports are given for their reference. Senior Executives regularly make presentations by audio visual means to the Board. The broad overview of the Company's approach to familiarization of Directors is available at the link https://www.waterbaseindia.com/investor_relations.php.

**I. Directors' Responsibility Statement**

Pursuant to the provisions under Section 134(5) of the Act, with respect to Directors' Responsibility Statement, the Directors confirm:

I. That in the preparation of the annual accounts, the applicable accounting standards have been followed and no material departures have been made from the same;

II. That they had selected such accounting policies and applied them consistently, and made judgements 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;

III. That they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

IV. That they had prepared the annual accounts on a going concern basis;

V. That they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

VI. That they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 15. AUDIT RELATED MATTERS

### A. Statutory Auditors

The current Statutory Auditors, M/s Deloitte Haskins & Sells LLP, Chartered Accountants (Firm's Registration No. 117366W / W-100018), were appointed at the Annual General Meeting held on August 18, 2022 for a period of 5 (Five) consecutive years, to hold office until the conclusion of fortieth Annual General Meeting to be held in the year 2027.

There are no qualifications, reservations or adverse remarks or disclaimers made by the Statutory Auditors on the financial statements in their report for the year 2023-24.

Further, the reports of the Statutory Auditors for FY 2023-24 are given along with the Standalone and Consolidated Financial Statements which are annexed to and forms part of this report.

### B. Secretarial Auditors

As required under Section 204 of the Companies Act, 2013 and Rules thereunder, the Board had appointed M/s Rengarajan & Associates, Practicing Company Secretaries, as secretarial auditor of the Company for FY 2023-24. The report of the said Secretarial Auditor for FY 2023- 24 is annexed to and forms part of this report as **Annexure 8**.

There are no qualifications, reservations or adverse remarks or disclaimers made by the Secretarial Auditors in their report for the year 2023-24.

### C. Internal Auditors

As per Section 138 of the Companies Act, 2013, the Company has appointed M/s. Ernst & Young LLP as the Internal Auditors of the Company. The Auditors present their report to the Audit Committee on quarterly basis.

### D. Cost Records.

The Company is not required to maintain Cost Records as specified by the Central Government u/s 148 (1) of the Companies Act, 2013.

## 16. REPORTING OF FRAUDS

During the year under review, neither the Statutory Auditors nor the Secretarial Auditors has reported to the Audit Committee, under Section 143(12) of the Act, any instances of fraud committed against the Company by its officers or employees.

## 17. POLICY MATTERS

### A. Nomination and Remuneration Policy

In terms of provisions of Section 178(3) of the Act, the Nomination and Remuneration Committee of the Company has formulated and recommended to the Board a policy, containing the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a Director and it highlights the remuneration for the Directors, Key Managerial Personnel and other employees, ensuring that it covers the matters mentioned in Section 178(4) of the Act. The policy is attached as Annexure 1 to this report.

Particulars of Remuneration details of Directors, Key Managerial Personnel and Employees

The remuneration details of Directors and Key Managerial Personnel and ratio of remuneration of each Director to the median of employees' remuneration as per Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as Annexure 1A.

In accordance with the provisions of Section 197(12) of the Act and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the names and particulars of remuneration of top ten employees who have drawn remuneration not less than the limits specified in the Rules are available with the Company and in terms of provisions of Section 136(1) of the Act, this report is being sent to the members without this detail and any member desirous of obtaining information may write to the Company and the same shall be provided through electronic mode till the date of the ensuing Annual General Meeting.

### B. Vigil Mechanism / Whistle Blower Policy

In accordance with section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of the SEBI (LODR) Regulations, 2015, the Company has implemented a Whistle Blower Policy, whereby employees can report matters such as abuse of authority, misconduct, fraud, misappropriation of assets, non- compliance to code of conduct etc. to the Audit Committee.

The Audit Committee reviews on a quarterly basis the functioning of the Whistle Blower and Vigil Mechanism. In order to ensure that the policy is adhered to, and to assure that the concern will be acted upon seriously, the Company has committed itself to the following:

1. Ensure that the Whistle Blower and/or the person processing the Disclosure is not victimized for doing so;
2. Treat victimization as a serious matter including initiating disciplinary action on such person(s);
3. Ensure complete confidentiality and no attempt to conceal evidence of the Disclosure;

4. Take disciplinary action, if any one destroys or conceals evidence of the Disclosure made/ to be made;
5. Provide an opportunity of being heard to the persons involved, especially to the person against or in relation to whom a Disclosure is made or evidence gathered during the course of an investigation.

The policy lays down the detailed mechanism for reviewing the Complaints, spells out the remedial mechanism, assures the confidentiality and protection of whistle-blowers from victimization. The policy provides for confidential and anonymous reporting to the Chairman of Audit Committee wherever required. The policy also discourages frivolous and vexatious complaints by suitably incorporating penal provisions for such complaints.

The details of the Whistle Blower Policy are available on the website of the Company at https://www.waterbaseindia.com/investor_relations.php.

**C. Corporate Social Responsibility Policy**

In terms of the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of your Company has constituted a Corporate Social Responsibility (CSR) Committee and framed a CSR policy which details the programs / activities that can be carried out under various program heads. CSR policy of the Company is available on the website https://www.waterbaseindia.com/investor_relations.php. The Company believes that its ultimate objective is to benefit communities through initiatives, which contribute to nation building.

The Company's leadership takes active responsibility in various community engagement initiatives. The CSR activities of the Company are routed through the KCT Group Trust specifically formed for the purpose of carrying out the CSR activities as mandated under section 135 of the Act.

During the financial year ended March 31, 2024, the CSR initiatives of the Company was carried out through the registered Trust established by the KCT Group under the name and style of 'KCT Group Trust', which has carried on projects on its own as well as lent support to identified projects carried on by other likeminded agencies which have far reaching societal implications. A Report on the CSR Activities of the Company has been annexed as Annexure 3 to this report.

## 18. OTHER MATTERS

**A. Internal Financial Controls**

The Company has Internal Control Systems commensurate with the nature of its business, size and complexities. Audit Committee reviews the adequacy and effectiveness of internal control system and monitors the implementation of audit recommendations. During the year under review, the Internal Audit was conducted and detailed review of control processes in key control areas and identified design gaps, improvement opportunities and management check points which helps in strengthening the processes and monitoring was undertaken.

The Company's Internal Financial Controls encompass policies and procedures adopted by the Board for ensuring the orderly and efficient conduct of business, including adherence to its policies, safeguarding of its assets, prevention and detection of frauds and errors, the accuracy and completeness of accounting records and the timely preparation of reliable financial information. Appropriate review and control mechanisms are built in place to ensure that such control systems are adequate and are operating effectively.

The systems/frameworks include proper delegation of authority, operating philosophies, policies and procedures, effective IT systems aligned to business requirements, an Internal Audit framework, a comprehensive Code of Conduct & Business Ethics framework, a Risk Management framework and adequate segregation of duties to ensure an acceptable level of risk. Documented Standard Operating Procedures are in place for all business processes. Key controls are tested to assure that these are operating effectively.

Besides, the Company has also implemented SAP ERP for all its processes to strengthen the internal control and segregation of duties/access.

Key controls in operational, financial and IT processes were tested to provide assurance regarding compliance with the existing policies and significant operating procedures and no significant weaknesses/deviations were noted in operational controls. Further, the Statutory Auditors of the Company also carried out audit of Internal Financial Controls over Financial Reporting of the Company as on March 31, 2024 and issued their report which forms part of the Independent Auditor's report.

**B. Risk Management**

The Company carries out a detailed Risk assessment exercise and has implemented the Enterprise Risk Management (ERM) policy/ framework. This framework is applicable for all strategic, high level operational, financial reporting, compliance and enterprise wide risks that have a high impact on the Company.

A strong and independent Internal Audit function carries out risk focused audits across the Company and enables identification of areas where the processes may need to be improved to mitigate the risks.

**C. Particulars of Loans, Guarantees and Investments**

During the year, the Company has made an investment of ₹ 8,00,000/- (Rupees Eight Lakhs) in the share capital of the Waterbase Frozen Foods

Private Limited (erstwhile Saatatya Vistaar Oorja Bengaluru Private Limited) on March 28, 2024.

Apart from the above, the Company has not given any loan, provided any guarantee or made any investment falling under the provisions of Section 186 of the Act.

**D. Financial Position and Performance of Subsidiaries, Joint Ventures and Associates**

The financial summary of Waterbase Frozen Foods Private Limited, subsidiary company is as under:

(₹ Lakhs)

| Particulars | Financial Year ended 31.03.2024 | Financial Year ended 31.03.2023 |
|---|---|---|
| Revenue from Operations | - | - |
| Profit Before Tax | (1.54) | (0.91) |
| **Profit/Loss After Tax** | **(1.54)** | **(0.91)** |

Consolidated Financial Statements of the Company are prepared in accordance with Indian Accounting Standards (IND AS) notified under Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Act, (Ind AS compliant Schedule III), as applicable to the consolidated financial statements and the same forms an integral part of this Report.

Pursuant to Section 129(3) of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of Subsidiary, for the Financial Year 2023-24 is given in Form AOC-1 (Annexure 4) which forms an integral part of this Annual Report.

In accordance with Section 136(1) of the Act, the Annual Report of your Company containing inter alia, financial statements including consolidated financial statements, has been placed on the Company's website, https://www.waterbaseindia.com/investor_relations.php. Further, the financial statements of the subsidiary have also been placed on the Company's website separately.

The audited financial statements including the consolidated financial statements of the Company, audited financial statements in respect of the subsidiary company shall be available for inspection for members. Any member desirous of inspecting the above documents may write to the Company and the facility to inspect the documents electronically shall be provided.

**E. Any Revision Made in Financial Statements or Board's Report**

The Company has not revised the Financial Statements or Board's Report in respect of any of the three preceding Financial Years.

**F. Code of Conduct**

In compliance with Regulation 26(3) of the Listing Regulations and the Act, the Company has framed and adopted Code of Conduct ("the Code") for Directors and Senior Management, which provides guidance on ethical conduct of business and compliance of law.

All Members of the Board and Senior Management personnel have affirmed the compliance with the Code as on March 31, 2024. A declaration to this effect, signed by the Chief Executive Director in terms of the Listing Regulations is given in the Report of Corporate Governance forming part of this Annual Report. The Code is made available on the Company's website https://www.waterbaseindia.com/investor_relations.php.

**G. Extract of Annual Return**

The details forming part of the extract of the Annual Return for FY 2023-24 in form MGT-9 is made available on the Company's website https://www.waterbaseindia.com/investor_relations.php.

Further, a copy of the Annual Return of the Company containing the particulars prescribed under section 92 of the Act, in Form MGT-7, as on March 31, 2024, is made available on the Company's website.

**H. Management Discussion and Analysis Report**

As per the terms of Regulation 34(2)(e) of the Listing Regulations, the Management Discussion and Analysis Report forms part of this Annual Report.

**I. Related Party Transactions**

All related party transactions which were entered during the Financial Year were in the ordinary course of business and on an arm's length basis. There were no materially significant related party transactions entered by the Company with the Promoters, Directors, Key Managerial Personnel or other persons which may have a potential conflict with the interests of the Company.

A statement of all related party transactions is presented before the Audit Committee on quarterly basis, specifying the nature, value and terms and conditions of transactions. The Audit Committee also grants omnibus approval for certain contracts and arrangements with Related Parties as per the provisions contained in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Since all the Related Party Transactions entered during the Financial Year were on an arm's length basis and in the ordinary course of business, no details are required to be provided in Form AOC-2 as prescribed under Section 134(3)(h) of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

In accordance with the requirements of the Listing Regulations, the Company has also adopted Policy on Materiality and dealing with Related Party Transactions and the same has been placed on the website of the Company.

**J. Corporate Governance**

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements. The Report on Corporate Governance as required under Regulation 34(3) read with Schedule V of the Listing Regulations forms part of this Annual Report as Annexure 5.

**K. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo**

The information pertaining to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo stipulated under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, is furnished in Annexure 2 and forms part of this Report.

**L. Disclosure Under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company's policy on prevention of sexual harassment of women provides for the protection of women employees at the workplace and for prevention and redressal of such complaints. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year under review, the Company has not received any complaints.

**M. Employee stock option plan**

During the year ended March 31, 2024, the Company has received the in-principle approval for the ESOP plan from the stock exchange, however there was no options granted under the ESOP and the company has postponed the plan for rolling out the ESOP to the employees.

## 19. COMPLIANCE WITH SECRETARIAL STANDARDS

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

## 20. LISTING OF SHARES

The equity shares of the Company are listed on the BSE Ltd. (BSE). The listing fee for the Financial Year 2023-24 has been paid to the credit of the Stock Exchange.

## 21. CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

The Board has formulated code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information for fair disclosure of events and occurrences that could impact price discovery in the market for the Company's securities and to maintain the uniformity, transparency and fairness in dealings with all stakeholders and ensure adherence to applicable laws and regulations. The Audit Committee on an annual basis conducts a review on the adherence to the policy. The copy of the same is available on the website of the Company at https://www.waterbaseindia.com/investor_relations.php

## 22. PREVENTION OF INSIDER TRADING

The Board has formulated code of conduct for regulating, monitoring and reporting of trading of shares by Insiders. This code lays down guidelines, procedures to be followed and disclosures to be made by the insiders while dealing with shares of the Company and cautioning them on consequences of non-compliances. The copy of the same is available on the website of the Company at https://www.waterbaseindia.com/investor_relations.php

## 23. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC).

No application under IBC was initiated by the Company as on March 31, 2024. There was no instance of one time settlement with any Bank or financial institutions.

## 24. ACKNOWLEDGEMENT

Your Directors place on record their sincere appreciation for the steadfast commitment and highly motivated performance by employees at all levels which is instrumental in sustained performance of the Company. Your Directors also sincerely thank channel partners, shareholders, various Government & other Statutory Authorities, Banks, Financial Institutions and Analysts for their continued assistance, co- operation and support.

For and on behalf of the Board of Directors

| | |
|---|---|
| Sd/- | Sd/- |
| **Varun Aditya Thapar** | **Shashikala Venkatraman** |
| *Chairman* | *Director* |
| DIN: 02322660 | DIN: 02125617 |

Place: New Delhi
Date: May 29, 2024

## Annexure - 1 to the Directors Report

### NOMINATION AND REMUNERATION POLICY AND REMUNERATION DETAILS

**A. Nomination and remuneration Policy**

The Nomination and Remuneration Policy has been formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. This policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management Personnel has been formulated by the Nomination and Remuneration Committee (NRC) and has been approved by the Board of Directors.

The following are the salient features of the Policy:

**B. Objective:**

The objective of the policy is to ensure that:

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors and other employees of the quality required to run the Company successfully;
- There is a transparent and consistent system of determining the appropriate level of remuneration across all levels of the Company;
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long- term performance objectives appropriate to the working of the Company and its goals.

**C. Appointment and removal of Director, Key Managerial Personnel and Senior Management Personnel:**

a) The NRC shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director and Key Managerial Personnel and recommend his / her appointment, as per the Company's Policy. Similarly, for appointments to Senior Management, the person to be recruited shall have the qualification requisite for the role and should be one of integrity and expertise.

b) The NRC has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.

c) The NRC shall ensure that the person to be appointed as Director/ Managing Director/ Whole-Time Director does not suffer from any disqualification stipulated and also possesses all the qualifications stipulated under the Companies Act, 2013. Wherever required, any such appointment shall be made with the requisite approval of the Central Government.

d) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that, the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

e) Each Executive Director will enter into a contract with the Company clearly setting out the terms and conditions and the remuneration package for that person. The contract will set out the expectations for the performance of the role and criteria for assessment. The NRC and the Board must approve all such contracts.

f) Independent Directors shall be issued a letter of appointment containing the terms and conditions of appointment, expectations from them and the benefits available for such Independent Directors. The appointment letter shall be approved by the NRC and the Board before it is issued to Independent Directors.

g) Key Managerial and Senior Management Personnel (both contractual & permanent) will be issued a Letter of Appointment clearly setting out the terms and conditions and the remuneration package. This appointment will be accompanied with a detailed Job Description stating the Key Responsibility Areas (KRAs) of that respective person. The Executive Director or Chief Executive Officer must approve such appointment letter and the same will be governed by the HR policy.

**D. Term / Tenure:**

a) Managing Director / Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) Independent Director:

i. An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

ii. No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

iii. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

iv. At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole- time Director of a listed company or such other number as may be prescribed under the Act.

v. The continuation of the term of an Independent Director is subject to the outcome of the annual evaluation process of the Director.

c) Key Managerial and Senior Management Personnel:

Appointment as Key Managerial Personnel shall be without any time limit and as per the terms mentioned in the appointment letter. However, the maximum age for retirement of Key Managerial Personnel shall be as per the policy applicable for all the other employees of the Company. The continuation of Key Managerial Personnel shall also be dependent upon satisfactory performance evaluation. The Committee shall have the full freedom to recommend the removal of any Key Managerial Personnel if performance evaluation is found unsatisfactory.

**E. Evaluation:**

i. The NRC shall carry out evaluation of performance of Directors at yearly intervals or at such intervals as may be considered necessary. This shall include evaluation of Independent Directors.

ii. The NRC shall recommend the performance evaluation criteria for Board approval. The evaluation criteria shall comprise the framework of evaluation applicable for Directors (including the Chairman and Independent Directors), the Board as a whole and various Committees of Directors.

iii. The NRC shall also lay down the evaluation parameters (KRA's) of Key Managerial and Senior Management Personnel. These parameters shall be suitably incorporated in the Performance evaluation framework applicable to Key Managerial and Senior Management Personnel who shall be subject to annual evaluation process based on these parameters.

iv. A report on annual performance evaluation of the Key Managerial and Senior Management Personnel shall be placed before the NRC for suitable recommendations to the Board, if needed.

**F. Policy for remuneration to Directors/KMP/Senior Management Personnel/Other Employees:**

1) Remuneration to Managing Director/Whole–Time Directors:

a) The Remuneration / Commission etc. to be paid to Managing Director / Whole Time Directors etc. shall be governed as per the provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.

b) The NRC shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole Time Directors.

c) The Board in consultation with the NRC will from time to time determine the fixed remuneration level for Managing / Whole-time Directors. Such remuneration levels will be determined according to industry standards, market conditions and scale of the Company's business relating to the position.

d) The Board in consultation with the NRC may determine incentive designed to create a strong relationship between performance and remuneration. However, such remuneration shall be within the limits specified by the Act and approval of shareholders.

e) Termination benefits shall be as per the terms specified in the Contract.

2) Remuneration to Non- Executive / Independent Directors:

a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of the Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the NRC and approved by the Board of Directors.

b) The remuneration of the Non – Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the NRC and approved by the Board of Directors or shareholders, as the case may be.

c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.

d) Any remuneration paid to Non - Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above, if the following conditions are satisfied:

i. The services are rendered by such Director in his capacity as the professional; and

ii. In the opinion of the Committee, the Director possesses the requisite qualification for the practice of that profession.

e) The Board in consultation with the NRC will from time to time determine the Commission payable to Non-Executive Directors. Such Commission shall be within the limits specified by the Act / approved by Shareholders. The actual commission will be determined according to

## Annexure - 1 to the Directors Report

industry standards, relevant laws and regulations, labour market conditions and scale of the Company's business relating to the position.

3) Remuneration to Key Managerial and Senior Management Personnel:

a) The remuneration to Key Managerial and Senior Management Personnel shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.

b) The fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time. The Board in consultation with the NRC will, from time to time determine the fixed remuneration level. Such remuneration levels will be determined according to industry standards, market conditions and other factors.

c) The incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial and Senior Management Personnel, to be decided annually or at such intervals as may be considered appropriate by the Board in consultation with the NRC.

4) Remuneration to Other Employees:

The Chief Executive Officer will approve the form of remuneration which may include fixed remuneration, termination payments and employee entitlement for other employees of the Company.

For and on behalf of the Board of Directors

| | |
|---|---|
| Sd/- | Sd/- |
| **Varun Aditya Thapar** | **Shashikala Venkatraman** |
| *Chairman* | *Director* |
| DIN: 02322660 | DIN: 02125617 |

Place: New Delhi
Date: May 29, 2024

# Annexure - 1A to the Directors Report

**Disclosure of Remuneration under section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.**

The details of remuneration during the financial year, 2023-24 as per Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, as amended, are as follows.

1. **The ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2023-24:**

| Directors | Designation | Ratio # |
|---|---|---|
| Mr. Varun Aditya Thapar | Chairman | 0.41 |
| Mr. Vikramaditya Mohan Thapar* | Chairman Emeritus | 0.06 |
| Mr. Anil Kumar Bhandari | Director | 0.41 |
| Mr. Rahul Kapur | Director | 0.47 |
| Ms. Shashikala Venkatraman | Director | 0.37 |
| Ms. Nitasha Thapar | Director | 0.24 |
| Mr. Rahul Chandrasingh Mehta** | Director | 0.18 |

Note:
# Number of times the median remuneration
* Ceased to be a Director w.e.f August 04, 2023.
**Appointed as a Director w.e.f October 26, 2023.

2. **The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the financial year 2023-24:**

| Name of Directors/CEO, CFO & CS | Designation | % Increase / (Decrease) in remuneration |
|---|---|---|
| Mr. Varun Aditya Thapar | Chairman | - |
| Mr. Vikramaditya Mohan Thapar* | Chairman Emeritus | NA |
| Mr. Anil Kumar Bhandari | Director | (13) |
| Mr. Rahul Kapur | Director | 28 |
| Ms. Shashikala Venkatraman | Director | 50 |
| Ms. Nitasha Thapar** | Director | NA |
| Mr. Rahul Chandrasingh Mehta*** | Director | NA |
| Mr. Ramakanth V Akula | Chief Executive Officer | - |
| Mr. R. Sureshkumar | Chief Financial Officer | (1.18) |
| Mr. Bala Arumugam | Company Secretary | NA |

* Ceased to be a Director w.e.f August 04, 2023.

**Appointed as a Director w.e.f February 8, 2023.

***Appointed as a Director w.e.f October 26, 2023.

NA - Resigned or Appointed during the year / previous year, hence not comparable.

3. **The percentage increase in the median remuneration of employees in the financial year:** -8.67%
4. **The number of permanent employees on the rolls of Company as on March 31, 2024:** 282
5. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and comparison with the percentile increase in the managerial remuneration and justification thereof. Whether there are any exceptional circumstances for increase in the managerial remuneration.**

| Parameters | |
|---|---|
| Average % increase in the salaries of employees other than managerial personnel (Financial year 2023-24) | 2.28% |
| Average % increase in the managerial remuneration in the financial year 2023-24 | 3.29% |
| Remarks | - |

6. **Affirmation:**

It is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and other employees during the financial year 2023-24 is as per the Remuneration Policy of the Company.

For and on behalf of the Board of Directors

| | Sd/- | Sd/- |
|---|---|---|
| | **Varun Aditya Thapar** | **Shashikala Venkatraman** |
| Place: New Delhi | *Chairman* | *Director* |
| Date: May 29, 2024 | DIN: 02322660 | DIN: 02125617 |

# Annexure - 2 to the Directors Report

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS / OUTGO

Particulars required by Section 134(3)(m) of the Companies Act, 2013 ("the Act") read with rule 8(3) of the Companies (Accounts) Rules, 2014 are as given below:

**A. Conservation of Energy**

a) The Company ensures that the manufacturing operations are conducted in the manner whereby optimum utilization and maximum possible savings of energy is achieved.

b) The Company has taken actions leading to energy conservation on fuel & power and has also taken efforts on reduction of average cost of fuel & power per ton of production. However, no specific investment has been made in reduction in energy consumption.

c) Further, to enhance conservation & reduction towards carbon emission, company has been working on sourcing of renewable energy from reliable sources. As the impact of measures taken for conservation and optimum utilization are not quantitative, its impact on cost cannot be quantified.

d) The Company ensures that seamless power supply, increase energy efficiency and ensure greater safety.

**B. Technology Absorption**

a) The Company continuously interacts with international experts on Shrimp feed nutrition, water quality management and development of specialized feed ingredients. The Company also works closely with reputed institutes who are involved in Aqua Feed Nutrition Research. All the Research & Development (R&D) activities are carried out in- house in collaboration with such experts/ institutes.

b) The Company has done extensive research on replacements for ingredients that are being fishmeal and fish oil. The Company has put in efforts to find alternate ingredients to replace them in association with internationally reputed research firms and the results have been so far encouraging.

c) The Company constantly works on its feed formulation improves it so that the feeds travel beyond meeting nutritional requirements. The benefits arising out of the R&D areas are as below:

- Improving Feed Conversion Ratio (FCR)
- Reducing visceral waste & improving yield
- Reducing environmental output (pond conditions)
- Optimizing digestible nutrient levels (maintaining performance)
- Reducing impact of infections on productivity
- Reducing the probability of Bacterial/ Viral infections and Parasitic infestations

d) The company has also forayed into natural based animal health care products to improve shrimp farming efficiency which in turn helps farmers in better yields.

e) The expenditure incurred during the year under review towards Research & Development is as follows:

- Revenue expenses – ₹ 125.8 Lakhs
- Capital expenses – ₹ 0.66 Lakhs

**C. Foreign Exchange Earnings and Outgo**

(₹ Lakhs)

| Particulars | 2023-24 | 2022-23 |
|---|---|---|
| Earnings in Foreign Exchange | 11,860.68 | 2,252.57 |
| Foreign Exchange Outgo | 323.69 | 317.29 |

# Annexure - 3 to the Directors Report

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

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

   The CSR Policy of the Company has been formulated and adopted in terms of Section 135 of the Companies Act, 2013 ("the Act") and the Rules made thereunder. The Corporate Social Responsibility (CSR) activities of the Company have already been textured into the Company's value system being part of the KCT Group.

   The CSR activities of the Company are routed through the KCT Group Trust specifically formed for the purpose of carrying out the CSR activities as mandated under section 135 of the Act.

   To positively impact the lives of the disadvantaged by supporting and engaging in corporate social responsibility activities.

2. **Composition of the CSR committee:**

| S. No | Name of Directors | 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 | Mr. Vikramaditya Mohan Thapar* | Chairperson | 1 | 1 |
| 2 | Mr. Varun Aditya Thapar** | Chairperson | - | - |
| 3 | Ms. Shashikala Venkatraman | Director | 1 | 1 |
| 4 | Ms. Nitasha Thapar | Director | 1 | 1 |

* Mr. Vikramaditya Mohan Thapar was resigned from the Company with effect from August 04, 2023.

* Mr. Varun Aditya Thapar, Non-Executive Director was appointed as the Chairman of the Committee with effect from August 05, 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**

   https://www.waterbaseindia.com/investor_relations.php

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

(₹ in lakhs)

| | | |
|---|---|---|
| **5.** | (a) Average net profit of the company as per section 135(5) | ₹ 305.69 |
| | (b) Two percent of average net profit of the company as per section 135(5) | ₹ 6.11 |
| | (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years | NIL |
| | (d) Amount required to be set off for the financial year, if any | NIL |
| | (e) Total CSR obligation for the financial year (b + c – d) | ₹ 6.11 |

(₹ in lakhs)

| | | |
|---|---|---|
| **6.** | (a) Amount spent on CSR Projects: | - |
| | (i) On going Project | - |
| | (ii) Other than ongoing Project | ₹ 6.18 |
| | (b) Amount spent in Administrative Overheads. | - |
| | (c) Amount spent on Impact Assessment, if applicable. | NA |
| | (d) Total amount spent for the Financial Year [ (a)+(b)+(c) ]. | ₹ 6.18 |

(e) CSR amount spent or unspent for the Financial Year:

| Total Amount Spent for the Financial Year (in ₹ Lakhs) | Amount Unspent (in ₹ Lakhs) | | | | |
|---|---|---|---|---|---|
| | 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. |
| 6.18 | NA | NA | NA | NA | NA |

(f) Excess amount for set off, if any:

| S. No | Particulars | Amount (in Lakhs) |
|---|---|---|
| i | Two percent of average net profit of the company as per section 135(5) | ₹ 6.11 |
| ii | Total amount spent for the Financial Year | ₹ 6.18 |
| iii | Excess amount spent for the financial year [(ii)-(i)] | ₹ 0.07 |
| 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)] | ₹ 0.07 |

7. **Details of Unspent CSR amount for the preceding three financial years:** Nil

8. **Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:** NA

9. **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

The CSR Committee and Board hereby confirms that the implementation and monitoring of CSR policy is in line with CSR objectives and policy of the Company.

For and on behalf of the
CSR Committee and the Board of Directors

Sd/-
**Varun Aditya Thapar**
*Chairman – CSR Committee*
DIN : 02322660

Sd/-
**Shashikala Venkatraman**
*Director*
DIN: 02125617

Date: May 29, 2024
Place: New Delhi

## Annexure - 4 to the Directors Report

**FORM NO. AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of the Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or Joint ventures

**Part "A": Subsidiaries**

| | |
|---|---|
| Name of the subsidiary | Waterbase Frozen Foods Private Limited (CIN : U05000TN2015PTC151924) Previously known as Saatatya Vistaar Oorja Bengaluru Private Limited |
| Date when subsidiary was acquired | March 25, 2020 |
| Reporting period for the subsidiary concerned, if different from the holding company's reporting period | Reporting period is from April 1 to March 31 i.e. March 31, 2024 |
| Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries | N.A |
| Share capital | 13.50 |
| Reserves & surplus | (11.01) |
| Total assets | 4.43 |
| Total Liabilities | 4.43 |
| Investments | - |
| Turnover | - |
| Profit/ (Loss) before taxation | (1.54) |
| Provision for taxation | - |
| Profit/ (Loss) after taxation | (1.54) |
| Proposed Dividend | - |
| Extent of shareholding (in percentage) | 100% |

1. Subsidiary Companies which are yet to commence operations: Waterbase Frozen Foods Private Limited

2. Subsidiary Companies which have been liquidated or sold during the year: NIL

**Part "B": Associates and Joint Ventures : NIL**

For and on behalf of the Board of Directors

| | |
|---|---|
| Sd/-<br>**Varun Aditya Thapar**<br>*Chairman*<br>DIN: 02322660 | Sd/-<br>**Shashikala Venkatraman**<br>*Director*<br>DIN: 02125617 |

Place: New Delhi
Date: May 29, 2024

## Annexure - 5 to the Directors Report

# REPORT ON CORPORATE GOVERNANCE

Pursuant to Regulation 34 read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ["Listing Regulations"] as amended.

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. Strong leadership and effective corporate governance practices have been the Company's hallmark inherited from the Thapar Group culture and ethos.

The governance philosophy of the Company is not limited to confirming of compliance of laws but is a blend of both legal and management practices to embed the same in the decision-making process. Over the last three decades of its existence, the Company has been practicing best principles from the stage of conceptualization of products till providing of services to consumers after sales.

The Company always endeavor to align the practices in line with the changing business environment and confirms that the interest of all stakeholders is safeguarded and could successfully take the various stakeholders in its journey and reach newer heights. Governance philosophy of the Company is to imbibe, evolve and adapt to all situations and keep its trajectory intact to serve the public at large.

The Company believes that Good Corporate Governance has the following principles at its core:

- Emphasis on meeting long term goals and objectives rather than solely relying on short-term performance
- Strong and diversified Board which plays active role in monitoring corporate performance, driving strategic initiatives and setting the appropriate "Tone at the Top"
- Robust and comprehensive flow of information between the Company's executive management and the Board/its Committees to enable informed decision making.
- Strong mechanism of Director Evaluation and feedback
- Transparency in disclosure of material events and their impact
- Robust Risk Management practices and Internal Controls framework overseen by the Board / Audit Committee

### 2. BOARD OF DIRECTORS

**2.1 Composition and Changes during the Year**

As on March 31, 2024, the composition of the Board is in compliance with the requirements of Regulation 17(1) of the Listing Regulations. All the Independent Directors satisfy the criteria of independence specified under the Companies Act, 2013 ("Act"), Regulation 16 (1) (b) of the Listing Regulations and meet the criteria for appointment as formulated by the Nomination and Remuneration Committee ("NRC") and approved by the Board.

NRC has formulated a policy on criteria for Board Nominations. It ensures diversity of qualification, experience, expertise and gender in the composition of the Board. The board members are appointed through a transparent process. The Independent Directors are issued appointment letters and the format of the appointment letter with terms and conditions of their appointment have been disclosed on the website of the Company http://waterbaseindia.com/. Each Independent Director is familiarized with the Company, business, industry, roles and responsibilities, the details of which are available on the website of the Company http://waterbaseindia.com.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of Listing Regulations, they 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. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and that they are independent of the management.

Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014. Independent Directors are appointed for a specific term based on the recommendations of the NRC by the Board and the members at their respective meetings. Non-Independent Directors are appointed as per the provisions of the Act and Listing Regulations.

The strength of the Board as on March 31, 2024 was six directors, consisting of One Non-Executive Non- Independent Director and Chairman, One Non Executive Non-Independent Women Director and four Independent Directors including one woman director. The composition of the Board is in conformity with the Act and Listing Regulations.

# Annexure - 5 to the Directors Report

The Composition of the Board, the number of directorship, membership and chairmanship held by each Director on the Board/Committees of the Board of other Companies as on March 31, 2024 were as under:

| S. No | Name of the Directors | DIN | Category | Position | No. of Directorships & Committee membership in Public Companies (excluding Waterbase) | | | | Directorship in other Listed Entity | Category of Directorship |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Board*** | | Committee**** | | | |
| | | | | | Member | Chairman | Member | Chairman | | |
| 1. | *Mr. Varun Aditya Thapar | 02322660 | NE, Promoter | Chairman | 2 | 1 | 2 | 0 | Nil | Not Applicable |
| 2. | Mr. Anil Kumar Bhandari | 00031194 | NE, I | Member | 2 | Nil | 4 | 2 | 1.Bright Brothers Ltd.<br>2.Kirloskar Electric Co. Ltd. | NE, I<br>NE, I |
| 3. | Ms. Nitasha Thapar | 00061445 | NE, Promoter | Member | 1 | Nil | Nil | Nil | Nil | Not Applicable |
| 4. | Mr. Rahul Kapur | 00020624 | NE, I | Member | 2 | Nil | Nil | Nil | Nil | Not Applicable |
| 5. | Ms. Shashikala Venkatraman | 02125617 | NE, I | Member | Nil | Nil | Nil | Nil | Nil | Not Applicable |
| 6. | **Mr.Rahul Chandrasingh Mehta | 00397420 | NE, I | Member | Nil | Nil | Nil | Nil | Nil | Not Applicable |

Note :

*Mr. Varun Aditya Thapar was appointed as Chairman of the Company with effect from August 05, 2023.

**Mr. Rahul Chandrasingh Mehta was appointed as an Independent Director on October 26, 2023.

*** Excludes directorship in foreign companies, Private companies and Section 8 companies.

****Represents memberships of Audit and Stakeholders Relationship Committees in Public Limited Companies & Private Limited Companies which are subsidiaries of Public Limited Companies.

None of the directors on the board is a member of more than 10 committees or chairman of more than 5 committees across all the Companies in which he / she is a director as required under Regulation 26 (1) of Listing Regulations.

None of the Independent Directors on the board is an Independent Director in more than seven Listed Companies as required under Regulation 17A(1) of Listing Regulations.

Mr. Varun Aditya Thapar, Non-Executive Director of the Company, is the son of Mr. Vikramaditya Mohan Thapar, who is the Chairman Emeritus of the Company and brother of Ms. Nitasha Thapar, Non-Executive Director of the Company. Ms. Nitasha Thapar, Non-Executive Director of the Company is the Daughter of Mr. Vikramaditya Mohan Thapar, Chairman Emeritus of the Company and Sister of Mr. Varun Aditya Thapar, Non-Executive Director and Chairman of the Company. None of the other Directors have inter–se relationship.

Non-Executive ("NE"), Non-Independent ("NI") and Independent ("I")

### 2.2 Board Process

The board meets at least once in each quarter to review, the matters specifically reserved for its attention to ensure that it exercises full control over significant strategic, financial, operational and compliance matters. The board is regularly briefed and updated on the key activities of the business and is provided with presentations on operations, quarterly financial statements, subsidiary performance, and other specific matters concerning the Company.

The maximum time gap between two meetings does not exceed 120 days. The schedule of the board and committee meetings are communicated in advance 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.

The board periodically reviews compliance reports of all laws applicable to the Company, as prepared by the Company as well as steps taken by the Company to rectify instances of non- compliances. The Board is also free to recommend inclusion of any matter for discussion in consultation with Chairman.

All the discussions and decisions taking place in every meeting of the board are entered in the Minute Book. The draft minutes are circulated within the specified time to the board and suggestions or comments for changes, if any, are suitably incorporated in the minutes and the minutes are signed by the Chairman of the same meeting or by the Chairman of the succeeding meeting within the prescribed time period.

## Annexure - 5 to the Directors Report

The important decisions taken at the board meeting are communicated to the concerned department of the Company and an action taken report is placed at each board meeting.

The process specified for the board meeting above are followed for the meetings of all the committees constituted by the board, to the extent possible. The minutes of the meetings of the committees of the board are placed before the board for noting. The minutes of the board meetings of the unlisted subsidiary are also placed before the board.

Pursuant to the provisions of the Act and Listing Regulations, evaluation of the performance of the board, committees of the board and individual directors was carried out by the Board for the year 2023-24. The questionnaires were prepared in a structured manner taking into consideration the guidance notes on board evaluation issued by the SEBI. The performance of each of the Individual Directors was evaluated on parameters such as attendance, level of participation in the meetings and contribution, independence of judgement, safeguarding the interest of the Company and other stakeholders, etc.

The performance evaluation of all the independent directors was done by the entire Board excluding the concerned independent director based on the criteria of performance evaluation laid down by the NRC. The performance evaluation of the Chairman and the Non- Independent Directors were carried out by the independent directors.

### 2.3 Board meeting and attendance of directors

**a) Attendance of each Director at the meeting of the Board and General Meeting.**

Four Board meetings were held during the year ended March 31, 2024 ("Year") i.e. May 25, 2023, August 04, 2023, November 11, 2023, February 14, 2024 and the maximum gap between any two Board meetings did not exceed one hundred twenty days during the Year.

During the year, there were circular resolution passed on April 03, 2023, October 26, 2023 and December 18, 2023.

The attendance of Directors at Board Meeting ("BM") and last AGM were as under:

| S. No | Name of the Directors | Position | Attendance # | |
|---|---|---|---|---|
| | | | BMs | AGM held on September 29, 2023 |
| 1. | Mr. Vikramaditya Mohan Thapar* | Chairman Emeritus | 1 | No |
| 2. | Mr. Varun Aditya Thapar | Chairman | 4 | Yes |
| 3. | Ms. Nitasha Thapar | Director | 4 | Yes |
| 4. | Mr. Anil Kumar Bhandari | Independent Director | 4 | Yes |
| 5. | Mr. Rahul Kapur | Independent Director | 4 | Yes |
| 6. | Ms. Shashikala Venkatraman | Independent Director | 3 | Yes |
| 7. | Mr. Rahul Chandrasingh Mehta** | Independent Director | 2 | NA |

# includes attendance through video conference

*Mr. Vikramaditya Mohan Thapar was resigned from the Company with effect from August 04, 2023 and appointed as Chairman Emeritus of the Company with effect from August 5, 2023

** Mr. Rahul Chandrasingh Mehta was appointed as Independent Director on October 26, 2023.

### 2.4 Details of shares held by Non-Executive Directors as on March 31, 2024:

The shareholding position of Directors is as follows:

| S. No | Name | No. of Shares |
|---|---|---|
| 1. | Mr. Varun Aditya Thapar | 1,69,800 |
| 2. | Ms. Nitasha Thapar | 51,875 |

### 2.5 Meeting of Independent Directors

As per the requirement under Regulation 25 (3) of the Listing Regulations and Schedule IV of the Act, the independent directors of the listed entity shall hold at least one meeting in a year, without the presence of non-independent directors and members of the management and all the independent directors shall strive to be present at such meeting.

A meeting was held by Independent Directors on March 29, 2024 for the financial year 2023-24.

### 2.6 List of core skills, competencies and expertise of Board of Directors

The Company is majorly engaged in the business of Feed, Farmcare, Shrimp Processing & exports, Hatchery and Frozen seafood. To manage the operations and to formulate long term strategies for its growth, different skill sets are required. The Board of the Company consists of individuals who have experience and expertise in the following areas:

| S. No | Name of Directors | Skills / Expertise /Competence | | | |
|---|---|---|---|---|---|
| | | Management | Finance | Aquaculture | Marketing / Brand Mgmt. |
| 1 | Mr. Varun Aditya Thapar | Yes | Yes | Yes | Yes |
| 2 | Ms. Nitasha Thapar | Yes | Yes | Yes | Yes |
| 3 | Mr. Anil Kumar Bhandari | Yes | Yes | Yes | Yes |
| 4 | Mr. Rahul Kapur | Yes | Yes | Yes | Yes |
| 5 | Ms. Shashikala Venkatraman | Yes | Yes | - | Yes |
| 6 | Mr. Rahul Chandrasingh Mehta | Yes | Yes | - | Yes |

Note:

Mr. Vikramaditya Mohan Thapar was resigned from the Company with effect from August 04, 2023 and appointed as Chairman Emeritus of the Company with effect from August 5, 2023. He had expertise in the areas of Management, Finance, Aquaculture and Marketing.

## 3. Committees of the Board

The Board has constituted different committees as required under the Act and Listing Regulations. Details of the Committees and their terms of reference are given below.

During the year, all the recommendations made by the Committees were accepted by the Board of Directors.

The Company Secretary acts as the Secretary to the committees.

### 3.1 Audit Committee

The Audit Committee has been constituted as required under Section 177 of the Act and Regulation 18 of the Listing Regulations.

#### 3.1.1 Brief Description of the Terms of Reference

- Oversight of the Company's financial reporting process and disclosure of financial information;
- Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval.
- Evaluation of internal financial controls and risk management systems.
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- Monitoring the usage of funds from issue proceeds, to grant approvals for related party transactions which are in the ordinary course of business and on arms length basis.

#### 3.1.2 Composition of the Committee and attendance

The Audit Committee comprises of four directors. The committee met four times during the year on March 31, 2024 ("Year") i.e. May 25 2023, August 04, 2023, November 11, 2023 and February 14, 2024.

The details of the composition of the Committee and attendance of the members were as follows:

| Name | Category | Position | No. of Meetings |
|---|---|---|---|
| Mr. Anil Kumar Bhandari | Non-Executive Independent | Chairman | 4 |
| Mr. Rahul Kapur | Non-Executive Independent | Member | 4 |
| Ms. Shashikala Venkatraman | Non-Executive Independent | Member | 3 |
| Mr. Varun Aditya Thapar | Non-Executive Non - Independent | Member | 4 |

The Chief Executive Officer, Internal Auditor, Chief Financial Officer, Senior Management team members and the Statutory Auditors are invited to attend all the meetings of the Committee.

### 3.2 Nomination & Remuneration Committee

The Nomination & Remuneration Committee has been constituted as required under Section 178 of the Act and Regulation 19 of the Listing Regulations.

#### 3.2.1 Brief description of Terms of Reference

- 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.

## Annexure - 5 to the Directors Report

**3.2.2 Composition of the Committee and attendance**

The Nomination & Remuneration Committee met 2 times during the year on May 25, 2023 and August 04, 2023. The details of the composition of the Committee and attendance of the members are as follows.

| Name of the Directors | Position | Category | No. of Meetings attended |
|---|---|---|---|
| Mr. Anil Kumar Bhandari | Non-Executive Independent | Chairman | 2 |
| Mr. Varun Aditya Thapar | Non-Executive Non-Independent | Member | 2 |
| Mr. Rahul Kapur | Non-Executive Independent | Member | 2 |
| Ms. Shashikala Venkatraman | Non-Executive Independent | Member | 1 |

During the year, circular resolution was passed on October 26, 2023.

**3.3 Stakeholders Relationship Committee**

The Stakeholders Relationship Committee has been constituted as required under Section 178 of the Act and Regulation 20 of the Listing Regulations.

**3.3.1 Brief description of the Terms of Reference**

- Formulation of shareholders servicing policies and determining the standards for resolution of shareholders grievance;
- Review and redressal of investor grievances related to transfer / transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new duplicate share certificates, general meetings etc.,
- Approval / overseeing of issuance of duplicate certificates, demat / remat requests, administering the unclaimed shares suspense account;
- Adherence to the service standards in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of measures taken for effective exercise of voting rights by shareholders;
- Performing other functions as delegated to it by the Board from time to time;

**3.3.2 Composition of the Committee and attendance**

The Stakeholders Relationship Committee met 3 times during the year ended March 31, 2023 (“Year”) i.e. April 27, 2023, June 21, 2023 and July 24, 2023.

The details of the composition of the Committee and attendance of the members are as follows.

| Name of the Directors | Position | Category | No. of Meetings attended |
|---|---|---|---|
| Mr. Vikramaditya Mohan Thapar* | Non-Executive Non-Independent | Chairman | 3 |
| Mr. Varun Aditya Thapar | Non-Executive Non-Independent | Member | 3 |
| Ms. Shashikala Venkatraman | Non-Executive Independent | Member | 3 |
| Ms. Nitasha Thapar** | Non-Executive Non-Independent | Member | - |

* Mr. Vikramaditya Mohan Thapar ceased to be a Director from the Board with effect from August 4, 2023.

** Ms. Nitasha Thapar appointed as a member with effect from August 5, 2023.

Mr. Bala Arumugam, Company Secretary is the compliance officer.

**3.3.3 Number of complaints received and redressed during the year are given below:**

| Opening Balance | Received during the financial year 2023-24 | Redressed during the financial year 2023- 24 | Closing Balance |
|---|---|---|---|
| 0 | 6 | 6 | 0 |

**3.4 Corporate Social Responsibility (CSR) Committee**

The Corporate Social Responsibility Committee has been constituted as required under Section 135 of the Act.

**3.4.1 Brief Description of the Terms of reference**

- To formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken as specified under schedule VII of the Act.
- To recommend the amount of expenditure to be incurred on the CSR activities.
- To monitor the CSR Policy of the Company from time to time
- To prepare a transparent monitoring mechanism for ensuring implementation of the projects / programmes/ activities proposed to be undertaken by the Company and to do all such acts, deeds and things as may be required in connection with the CSR activities.

**3.5.2 Composition of the Committee and attendance**

The Corporate Social Responsibility Committee met once during the year on May 25, 2023.

The details of the composition of the Committee and attendance of the members were as follows:

| Name of the Directors | Position | Category | No. of Meetings attended |
|---|---|---|---|
| Mr. Vikramaditya Mohan Thapar* | Non-Executive Non-Independent | Chairman | 1 |
| Ms. Shashikala Venkatraman | Non-Executive Independent | Member | 1 |
| Ms.Nitasha Thapar | Non-Executive Non-Independent | Member | 1 |
| Mr. Varun Aditya Thapar** | Non-Executive Non-Independent | Chairman | - |

* Mr. Vikramaditya Mohan Thapar ceased to be a Director from the Board with effect from August 4, 2023.

** Mr. Varun Aditya Thapar appointed as a member with effect from August 5, 2023.

## 4. Remuneration of Directors

**a) Details of pecuniary relationship or transaction of Non-Executive Directors with the Company**

All the Non-Executive Directors were paid sitting fees for attending the meetings of the Board and sub-committees of the Board. Further, the Non-Executive Directors are eligible to a commission up to 1% of the net profits arrived at as per Section 198 of the Companies Act, 2013 as approved by the shareholders in the Annual General Meeting held in 2014.

There were no other pecuniary relationship or transaction between any other Non-Executive Director and the Company during the year under review.

**b) Criteria of making payments to Non-Executive Directors**

The Company has adopted Nomination and Remuneration Policy, which describes the criteria of making payments to Non-Executive Directors. The Policy is available on the website of the Company http://waterbaseindia.com/, in the page 'Investor Relations'.

The Non-Executive Directors are paid sitting fees for attending meetings of Board and Sub-Committees, which is duly approved by the Board of Directors of the Company and the present fee payable to the Directors for attending the meetings is within the limits specified in Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Commission is paid to Non-Executive Directors at the maximum of 1% of the profit computed as per Sec 198 of the Companies Act, 2013.

**c) Details of Remuneration paid to the Directors:**

For details of remuneration paid to Directors please refer MGT – 9 which has been placed on the website of the company http://www.waterbaseindia.com/ under "Investor Relations"

## 5. GENERAL BODY MEETING

5.1 The date, time and venue of last three Annual General Meetings (AGMs) held were as follows.

| Financial Year | Day | Date | Time | Address |
|---|---|---|---|---|
| 2022-23 | Friday | 29.09.2023 | 12 Noon | Through Video Conferencing (VC) or Other Audio Visual Means (OAVM) |
| 2021-22 | Thursday | 18.08.2022 | 12 Noon | Through Video Conferencing (VC) or Other Audio Visual Means (OAVM) |
| 2020-21 | Thursday | 23.09.2021 | 11:30 am | Through Video Conferencing (VC) or Other Audio Visual Means (OAVM) |

The Company has not held any Extra ordinary General Meeting for the last three years.

**5.2 Details of Special Resolutions passed during the last three AGMs are given below:**

| Date of Annual General Meeting | Details of Special Resolutions passed if any; |
|---|---|
| 29.09.2023 | NIL |
| 18.08.2022 | Item No 4: Continuation of Mr. Vikramaditya Mohan Thapar (DIN: 00030967) as the Non-Executive Director of the company in terms of Regulation 17 (1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, after attaining 75 years of age. |
| 23.09.2021 | NIL |

## Annexure - 5 to the Directors Report

**5.3 Details of resolutions passed through postal ballot during the financial year 2023-24 and details of the voting pattern:**

**1. Appointment of Ms. Nitasha Thapar as Non-Executive Director**

The Company sought the approval of shareholders through postal ballot notice dated April 3, 2023 for the appointment of Ms. Nitasha Thapar as Non-Executive Director of the Company by way of ordinary resolution. The aforesaid resolution was duly passed on May 5, 2023 and the results of e-voting was announced on May 6, 2023. Mr. M Francis (C.P. No 14967) Practicing Company Secretary (Membership No: F10705) of M/s. M Francis & Associates, Company Secretaries was appointed as the Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner.

| Resolution | No. of Votes Cast in Favour | No. of Votes Cast Against | % of Votes Cast in Favour on Votes Polled | % of Votes Cast Against on Votes Polled |
|---|---|---|---|---|
| Appointment of Ms. Nitasha Thapar as Non-Executive Director of the Company w.e.f. February 08, 2023 | 2,56,06,299 | 2,811 | 99.99 | 0.01 |

**2. Appointment of Mr. Rahul Chandrasingh Mehta as an Independent Director**

The Company sought the approval of shareholders through postal ballot notice dated December 18, 2023 for the appointment of Mr. Rahul Chandrasingh Mehta as an Independent Director of the Company by way of special resolution. The aforesaid resolution was duly passed on January 20, 2024 and the results of e-voting was announced on January 22, 2024. Mr. M Francis (C.P. No 14967) Practicing Company Secretary (Membership No: F10705) of M/s. M Francis & Associates, Company Secretaries was appointed as the Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner.

| Resolution | No. of Votes Cast in Favour | No. of Votes Cast Against | % of Votes Cast in Favour on Votes Polled | % of Votes Cast Against on Votes Polled |
|---|---|---|---|---|
| Appointment of Mr. Rahul Chandrasingh Mehta as an Independent Director of the Company w.e.f. October 26, 2024 | 2,82,13,552 | 1,352 | 99.99 | 0.01 |

**Procedure for Postal Ballot**

The postal ballot is conducted in accordance with the provisions specified in Section 110 and other applicable provisions, if any, of the Act read with Rule 22 of the Companies (Management and Administration) Rules, 2014. The shareholders are provided the facility to vote through e-voting. As per the MCA Circulars, the Postal Ballot Notice was sent only through electronic mode to those Members whose email addresses are registered with the Company or depository / depository participant. Shareholders holding equity shares as on the cut-off date cast their votes through e-voting during the voting period fixed for this purpose. After completion of scrutiny of votes, the scrutinizer submits his report to the Chairman and the results of voting by postal ballot are announced within two working days of conclusion of the voting period. The results are displayed on the website of the Company (https://www.waterbaseindia.com/), and communicated to the Stock Exchange, Depositories and Registrar and Share Transfer Agents. The resolutions, passed by the requisite majority, are deemed to have been passed on the last date specified for e-voting.

## 6. MEANS OF COMMUNICATION

The Company regularly intimates information like quarterly/half yearly/annual financial results and media releases on significant developments from time to time. The financial results and other official news releases are also placed in the 'Investor Relations' section of the website of the Company at http://waterbaseindia.com/ and have also been communicated to the stock exchange, i.e. BSE Limited, in which shares of the Company are listed.

The financial results are normally published in the newspapers – Financial Express (English) and Praja Shakti (Telugu).

The website of the Company, www.waterbaseindia.com contains comprehensive information about the Company, its business, Directors, Sub-Committees of the Board, terms and conditions of appointment of Independent Directors, products, factory details, service helplines, various policies adopted by the Board, details of unpaid dividend, contact details for investor grievance redressal, credit rating details, financial statement of subsidiary, shareholding pattern, notice of meeting of Board of Directors, quarterly unaudited financial results, audited financial results, annual report, shareholder information, schedule of analyst or institutional investor conference, presentations made to analysts or institutional investor, other developments etc.

## Annexure - 5 to the Directors Report

### 7. GENERAL SHAREHOLDER INFORMATION

| S. No | Name of the Directors | Position |
|---|---|---|
| 7.1 | **Annual General Meeting - Day, Date & Time and Venue** | Wednesday, September 25, 2024 at 12 Noon<br>The AGM will be held through Video Conference (VC) / Other Audio Visual Means (OAVM). |
| 7.2 | **Financial Year** | April 1, 2023 to March 31, 2024 |
| 7.3 | **Date of Book closure** | From Thursday, September 19, 2024 to Wednesday, September 25, 2024 |
| 7.4 | **Dividend Payment Date** | NA |
| 7.5 | **Listing on Stock Exchanges** | BSE Limited,<br>Phiroze Jeejeebhoy Towers<br>Dalal Street, Mumbai – 400 001.<br>Annual listing fees has been paid to the above Stock exchanges. |
| 7.6 | **Stock Code** | |
| | Name of the Stock Exchange & Depository | Code / ISIN |
| | BSE Limited (BSE) | 523660 |
| | National Securities Depository Limited | INE054C01015 |
| | Central Depository Services (India) Limited | INE054C01015 |
| | ISIN | INE054C01015 |

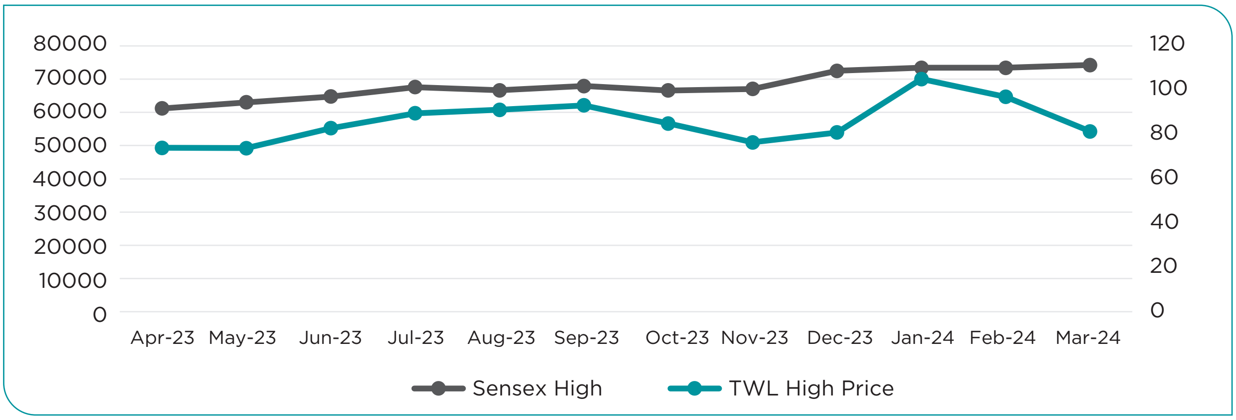
**7.2 Market price data-high, low during each month in the Financial Year 2023-24**

Monthly high and low quotations during each month during the Financial Year 2023-24 as well as the volume of shares traded during each month at the BSE are as follows.

| Month | BSE | | |
|---|---|---|---|
| | High (₹) | Low (₹) | Volume (in Numbers) |
| Apr – 23 | 74.00 | 57.00 | 93,006 |
| May – 23 | 73.89 | 66.95 | 89,641 |
| Jun – 23 | 82.88 | 68.00 | 2,35,473 |
| Jul – 23 | 89.60 | 74.50 | 3,37,443 |
| Aug – 23 | 91.17 | 77.36 | 3,20,438 |
| Sep – 23 | 93.19 | 80.11 | 1,81,466 |
| Oct – 23 | 84.99 | 69.55 | 1,82,770 |
| Nov – 23 | 76.50 | 65.00 | 4,92,538 |
| Dec – 23 | 80.95 | 70.30 | 10,43,254 |
| Jan – 24 | 105.01 | 77.20 | 47,99,000 |
| Feb – 24 | 97.00 | 73.86 | 20,36,714 |
| Mar - 24 | 81.42 | 65.22 | 12,20,404 |

**7.3 Performance in comparison to broad based indices such as BSE- Sensex:**

S & P BSE Sensex High Vs TWL High



## Annexure - 5 to the Directors Report

**7.4 Investor Contacts**

**(a) Registrar and Transfer Agents (RTA)**

Cameo Corporate Services Ltd.
Subramanyam Building,
1, Club House Road, Chennai 600 002
Phone: 044-28460390 / 391/ 392 / 393 / 394
E-Mail: investor@cameoindia.com,
cameo@cameoindia.com

**(b) Company**

The Waterbase Limited,
Secretarial Department,
Corporate Office: Thapar House, 37,
Montieth Road, Egmore, Chennai – 600 008.
Tel : + 91 44 3012 7000.
E-Mail: info@waterbaseindia.com;
Contact Person : Mr. Bala Arumugam,
Company Secretary

**7.5 Share transfer**

SEBI vide Press Release No. 12/2019 dated March 27, 2019, effective from April 1, 2019, has discontinued transfer of shares in physical mode and hence, the Company is not required to process any transfer request on or after April 1, 2019. The Company holds Stakeholders' Relationship Committee Meetings for approving requests for transmission and rematerialization of equity shares and for issue of duplicate share certificate(s).

**7.6 Distribution of shareholding (as at March 31, 2024):**

| Shareholding of Nominal shares | | Number of shareholders | % of Shareholders | Amount of Shares | % of Shares |
|---|---|---|---|---|---|
| From | To | | | | |
| 10 | 5000 | 32,874 | 89.23 | 38551500 | 9.31 |
| 5001 | 10000 | 2139 | 5.80 | 16920160 | 4.08 |
| 10001 | 20000 | 998 | 2.71 | 15063340 | 3.64 |
| 20001 | 30000 | 365 | 0.99 | 9212400 | 2.22 |
| 30001 | 40000 | 128 | 0.35 | 4594760 | 1.11 |
| 40001 | 50000 | 99 | 0.27 | 4692580 | 1.13 |
| 50001 | 100000 | 158 | 0.43 | 11751330 | 2.84 |
| 100001 | And Above | 82 | 0.22 | 313481720 | 75.67 |
| Total | | 36843 | 100.00 | 414267790 | 100.00 |

**7.7 Dematerialization of shares and liquidity**

The shares of the Company are in compulsory dematerialization segment and are available for trading in the depository systems of both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Quarterly audit was conducted by M/s. M Francis & Associates, Company Secretaries reconciling the issued and listed capital of the Company with the aggregate number of shares held by the shareholders in physical and demat form.

The Company's shares are liquid and actively traded in BSE Ltd. The status of shares held in demateralised and physical forms as on March 31, 2024 are given below:

| Particulars | No. of shares | Percentage(%) |
|---|---|---|
| Shares held in Dematerialised form | 4,07,91,590 | 98.47 |
| Shares held in Physical form | 6,35,189 | 1.53 |
| **Total** | **4,14,26,779** | **100** |

**7.8 Outstanding GDR / ADR / Warrants or any Convertible instruments, conversion date and likely impact on equity :** Nil

**7.9 Commodity price risk or foreign exchange risk and hedging activities**

The details of foreign currency risk and commodity price risk are disclosed in notes to the financial statements, which forms part of this Annual Report.

**7.10 Plant & Corporate Office Locations**

1. **Unit I:** Ananthapuram Village,T.P Gudur Mandal, Nellore, Andhra Pradesh – 524344
2. **Unit II:** Bogole Village & Mandal, SPSR Nellore, Andhra Pradesh – 524142
3. **Hatchery:** Ramachandrapuram Village, Vidavalur, Varini, SPSR Nellore, Andhra Pradesh- 524344
4. **Corporate Office:** Thapar House, 37, Montieth Road, Egmore, Chennai – 600 008. +91 44 4566 1700. info@waterbaseindia.com

**7.11 Address for Investor correspondence:**

Mr. Bala Arumugam
Company Secretary & Compliance Officer
Thapar House, 37, Montieth Road, Egmore
Chennai – 600 008
+91 44 4566 1700; investor@waterbaseindia.com

**7.12 List of credit rating obtained by the Company with revision during the Financial year**

The Company's credit facilities are rated by CARE Ratings. As per the last rating dated December 6, 2023, the Company has long-term rating of CARE BBB+ and short-term rating of CARE A2.

**7.13 Unpaid Dividend Amount**

As per the provisions of Section 124(5) and (6), the Company is required to transfer the unpaid dividend amount which is unclaimed for a period of seven years from the date of declaration of dividend to the Investor Education and Protection Fund (IEPF) set up by the Central Government.

Members who have not encashed their Dividend Warrants within the validity period, may write to the Cameo Corporate Services Ltd., the Registrars & Transfer Agents of the Company by giving details of their bank account and such other details as required by RTA for claiming the unpaid / unclaimed dividend.

| Financial Year | Dividend per Share (Rs.) | Nature | Date of Declaration of Dividend | Due date of transfer to IEPF |
|---|---|---|---|---|
| 2016-17 | 1.00 | Final Dividend | 30.12.2017 | 04.02.2025 |
| 2017-18 | 1.50 | Final Dividend | 27.09.2018 | 03.11.2025 |
| 2018-19 | 1.50 | Final Dividend | 20.09.2019 | 27.10.2026 |
| 2020-21 | 1.00 | Final Dividend | 23.09.2021 | 30.10.2028 |

**7.14 Details of shares transferred to Investor Education and Protection Fund Authority and Unclaimed Suspense Account**

As per the provisions of Section 124(6) of the Act and Investor Education and Protection Fund Authority Rules, 2016 (the 'Rules'), if dividend on any shares have not been encashed or claimed during seven consecutive years or more, such shares are to be transferred to IEPF, a fund constituted by the Government of India.

During the year, the Company has not transferred any unclaimed dividend to the IEPF established by the Central Government. The Company has also not transferred any Equity Shares in respect of which dividend has not been paid or claimed for seven consecutive years or more as enunciated under Section 124 (6) of the Act.

Further, the voting rights on the shares transferred to IEPFA shall remain frozen till the shareholder claim those shares from IEPFA, by filing Web Form IEPF - 5, as prescribed under the Rules. The details of shares liable to be transferred to IEPFA is available on the website of the Company at http://www.waterbaseindia.com, in the page 'Investor Relations'.

The procedures to be followed by the shareholder for filing of Web Form IEPF-5 for claiming both unpaid dividend and the shares from IEPFA is detailed on the website of the Investor Education and Protection Fund Authority (IEPFA) at http://www.iepf.gov.in/ IEPF/refund.html

There were 100 shares lying in the Company's unclaimed suspense account at the beginning & at the end of the year.

## 8. OTHER DISCLOSURES & AFFIRMATIONS

**8.1 Related Party Transactions**

All related party transactions that were entered during the financial year were on arm's length basis and were in the ordinary course of business. There were no materially significant related party transaction considered to have potential conflict with the interests of the Company at large. As required under Regulation 23 of the Listing Regulations, the Company has formulated a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions. The policy is available on the web link https:// www.waterbaseindia.com.

**8.2 Details of non- compliance, penalties and strictures imposed.**

There were no penalties, strictures imposed on the company by stock exchange(s) or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

**8.3 Whistle Blower Policy and Vigil Mechanism**

The Company has established a whistle blower mechanism to provide an avenue for reporting concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy for the directors / employees / customers by providing adequate safeguards against victimisation of directors / employees / customers, who avail this mechanism and also for appointment of an ombudsperson to deal with the complaints received.

The Whistle Blower policy contains the process to be followed for dealing with complaints and in exceptional cases, also provides for direct access to the Chairperson of the Audit Committee. The Company affirms that no person has been denied access to the Audit Committee The policy is available on the Company's website at http://www.waterbaseindia.com/, in the page 'Investor Relations'.

**8.4 Compliance with mandatory requirements**

The Company has complied with all mandatory requirements as laid down under the Listing Regulations.

**8.5 Compliance with Accounting Standards**

The Company has followed the Guidelines of Accounting Standards as laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements and notes to accounts of this Annual Report.

## Annexure - 5 to the Directors Report

**8.6 Loans and advances in the nature of loans to firms / Companies in which directors are interested**

During the year, the Company did not extend any loans or advances to any firms / companies in which Directors are interested in terms of Section 184 of the Act.

**8.7 Disclosure from the Senior Management**

Periodical disclosures from Senior Management relating to all material financial and commercial transactions, where they had or were deemed to have had personal interest, that might have had a potential conflict with the interest of the Company at large are placed before the Board.

The details of the Senior Management are as follows:

| Name | Category |
|---|---|
| Mr. R Sureshkumar | Chief Financial Officer |
| Mr. Ravi Palanisamy | Sr. Vice President - Operations |
| Mr. Ashok Kalyanam | Vice President – SCM |
| Mr. Bala Arumugam | Company Secretary |

**8.8** During the year under review, the Company has not raised any funds from public issue, rights issue, preferential issue or through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the Listing Regulations.

**8.9** A certificate has been received from M/s. Rengarajan & Associates, Practising Company Secretary, that none of the Director on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

**8.10** Total Fees for all services paid by the listed entity and its subsidiaries on a consolidated basis to the Statutory Auditor and all entities in the network firm/network.

| S. No | Name of the Companies | Fees (Excluding out of pocket expenses) (₹ in Lakhs) |
|---|---|---|
| 1. | The Waterbase Limited | 22.50 |
| | **Total Fees** | **22.50** |

### 9. Subsidiary Companies

The Audit Committee reviews the financial statements and in particular, the investments made by unlisted subsidiary companies. The minutes of the Board Meetings as well as statements of all significant transactions of the unlisted subsidiary companies are placed before the Board of the Company for their review. The Company has formulated a policy for determining material subsidiaries and the policy is available at the weblink http://www.waterbaseindia.com/, in the page 'Investor Relations'.

### 10. Prevention of Insider Trading

The Company has formulated a Code of practices and procedures for fair disclosure of unpublished price sensitive information in accordance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time and the same has been published on the Company's website http://www.waterbaseindia.com/, in the page 'Investor Relations'. A Code of Conduct to regulate, monitor and report trading by insiders in securities of the Company has also been formulated by the Company.

**11. Compliance with the Code of Conduct**

The Board has laid down a "Code of Conduct" (Code) for all the Board members and the Senior Management of the Company. Annual declaration regarding compliance with the Code is obtained from every person covered by the Code of Conduct. A declaration to this effect signed by the Chief Executive Officer forms part of this report. The Code is available on the Company's website at http://www.waterbaseindia.com/, in the page 'Investor Relations'.

**12. Compliance with Corporate Governance Norms**

The Company has complied with the Corporate Governance requirements as specified under Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations. M/s. Rengarajan & Associates, Practising Company Secretary have certified that the Company has complied with the conditions of corporate governance as stipulated under the Listing Regulations. The said certificate is annexed to this report and will be forwarded to the Stock Exchanges and the Registrar of Companies, Tamil Nadu, Chennai, along with the Annual Report.

**13. Redressal of Grievances under the Prevention of Sexual Harassment Policy.**

The Company has in place, a policy on Prevention, Prohibition and Redressal of Sexual Harassment of women at workplace in accordance with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The details of complaints received and resolved during the year are as follows:

| S. No | Complaints received | Compliant Status |
|---|---|---|
| 1. | No. of grievances received during the Financial Year | 0 |
| 2. | No. of grievances disposed of during the Financial Year | 0 |
| 3. | No. of complaints pending at end of Financial Year | 0 |

### 14. Non - Mandatory requirements

As regards the non-mandatory requirements, the following have been adopted.

The Company has adopted the following non mandatory requirements of Part E of Schedule II to the listing Regulations.

## Annexure - 5 to the Directors Report

a) The Chairperson of the Company is in Non-Executive Category.

b) With a view to further improve the Corporate Governance practices being followed by the Company, the role of Chairman and CEO is being held by different persons.

c) The financial results were issued with unmodified audit opinion for the FY 2023-24.

d) The Independent firm of the Internal Auditors of the Company are directly reporting to the Audit Committee of the Board.

For and on behalf of the Board of Directors

| | |
|---|---|
| Sd/- | Sd/- |
| **Varun Aditya Thapar** | **Shashikala Venkatraman** |
| *Chairman* | *Director* |
| DIN: 02322660 | DIN: 02125617 |

## Annexure - 6 to the Directors Report

**DECLARATION OF ADHERENCE TO CODE OF CONDUCT AND BUSINESS ETHICS**

To
The Board of Directors,
The Waterbase Limited
Ananthapuram Village,
T.P.Gudur Mandal
Nellore 524 344, Andhra Pradesh

This is to confirm that the Board has laid down a Code of Conduct and Business Ethics for all Board members and Senior Management personnel of the Company. The Code of Conduct and Business Ethics has also been posted on the website of the Company. It is further confirmed that all Directors and Senior Management personnel of the Company have affirmed compliance with the Code of Conduct and Business Ethics of the Company for the year ended March 31, 2024, as envisaged as per the relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Sd/-
**Ramakanth V Akula**
Chief Executive Officer

Date: May 29, 2024
Place: New Delhi

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## Annexure - 7 to the Directors Report

### CEO/CFO CERTIFICATION TO THE BOARD

[Pursuant to Regulation 17(8) read with Regulation 33 (2) (A) of
SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We, Ramakanth V Akula, Chief Executive Officer and R Sureshkumar, Chief Financial Officer of The Waterbase Limited, hereby certify that:

A. We have reviewed the financial statements and the cash flow statement for the year ended March 31, 2024, 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 Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered by the Company during the period under review which are fraudulent, illegal and violative of the Company'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 company 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 we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the Auditors and the Audit Committee:

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

   (2) That there are no significant changes in accounting policies during the year; and

   (3) That we are not aware of any instances of significant fraud with involvement therein of the management or an employee having a significant role in the company's internal control system over financial reporting

For The Waterbase Limited

| Sd/- | Sd/- |
|---|---|
| **Ramakanth V Akula** | **R. Sureshkumar** |
| *Chief Executive Officer* | *Chief Financial Officer* |

Date: May 29, 2024
Place: New Delhi

## Annexure - 8 to the Directors Report

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

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

**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024**

To
The Members,
**The Waterbase Limited**
Ananthapuram Village,
T.P. Gudur Mandal
Nellore 524 344, Andhra Pradesh.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by **The Waterbase Limited (CIN: L05005AP1987PLC018436)** (hereinafter called the "Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our 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, we hereby report that in our opinion, the Company has, during the financial year ended March 31, 2024 (the audit period) complied with the statutory provisions Listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company during the audit period according to the provisions of

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. 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;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):
   a. 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 and The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
   d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
   e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable to the Company during the Audit Period);
   f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client (Not Applicable to the Company during the Audit Period);
   g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the Audit Period); and
   h. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998 and The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 (Not Applicable to the Company during the Audit Period);

The Company has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder:

Other laws specifically applicable to the Company:

1. Indian Fisheries Act, 1897
2. Marine Products Export Development Authority Act, 1972 and rules made thereunder.
3. Coastal Aquaculture Authority Act, 2005 and rules made thereunder
4. The Prevention and Control of Infectious and Contagious Diseases in Animals Act, 2009 and rules made thereunder.
5. Guidelines for Sustainable Development and Management of Brackish Water Aquaculture, 1995
6. Marine Products (Quality Marking) Scheme, 2010
7. The Factories Act, 1948
8. The Payment of Wages Act, 1936
9. The Minimum Wages Act, 1948

## Annexure - 8 to the Directors Report

10. The Payment of Bonus Act, 1965
11. Payment of Gratuity Act, 1972
12. Interstate Migrant Workmen Regulation of Employment and conditions of Service Act, 1979 and Rules thereunder.
13. Employees Compensation Act 1923 and rules thereunder
14. Water (Prevention & Control of Pollution) Act 1974 and rules thereunder
15. Air (Prevention & Control of Pollution) Act 1981 and rules thereunder
16. Environment Protection Act 1986 and rules made thereunder
17. The Andhra Pradesh State Aquaculture Development Authority Act, 2020.
18. Other Central and State Acts, rules, guidelines and regulations to the extent applicable to the Company.

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

1. the Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India under the provisions of the Companies Act, 2013.
2. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreements entered into by the Company with BSE Limited.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

We have not examined compliance by the Company with applicable financial laws, like Direct and Indirect tax laws, since the same have been subject to review by statutory financial audit and other designated professionals.

Based on the information received and records maintained, we further report that:-

*The Board of Directors of the Company is duly constituted.

*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 at a Shorter Notice for which necessary approvals obtained), and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

*As per the minutes of the Board Meetings and Committee Meetings, the decisions of the Board and Committee as the case may be were carried out with requisite majority. We understand that there were no dissenting views for being captured in the minutes.

**We further report that** based on the compliance mechanism established by the Company, we are of the opinion that there are 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, however, there is a scope for further improvement.

**We further report that** during the audit period no specific major events have happened which are deemed to have major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For **Rengarajan & Associates,**
*Company Secretaries*
Firm Registration No: S2015TN847100

**A Rengarajan**
*Proprietor*
FCS:6725, CP: 13437
Peer Review certificate No 3494/2023
UDIN: F006725F000477140

Place:Chennai
DATE: May 29, 2024

## Annexure - 8 to the Directors Report

To
The Members,
**The Waterbase Limited**
Ananthapuram Village,
T.P. Gudur Mandal
Nellore 524 344, Andhra Pradesh.

Dear Members,

**Sub:- Our Report of even no. dated May 29, 2024 for the Financial Year 2023-24 is to be read along with this letter.**

1. Maintenance of Secretarial Record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done to ensure that correct facts are reflected in Secretarial Records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of Financial Records and Books of Accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance with relevant laws, rules and regulations and happening of events etc.
5. The compliance with 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 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 **Rengarajan & Associates**
*Company Secretaries*
Firm Registration No: S2015TN847100

**A.Rengarajan**
*Proprietor*
FCS:6725, CP: 13437
Peer Review certificate No 3494/2023
UDIN: F006725F000477140

DATE: May 29, 2024
PLACE: Chennai

## Annexure - 9 to the Directors Report

### CORPORATE GOVERNANCE CERTIFICATE

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

To
The Members
The Waterbase Limited
Ananthapuram Village,
T.P. Gudur, Mandal,
Nellore – 524 344, Andhra Pradesh

1. We M/s. Rengarajan & Associates, Practising Company Secretaries (Firm's Registration No.:S2015TN847100), as Secretarial Auditors of The Waterbase Limited (CIN: L05005AP1987PLC018436) ("the Company"), having its Registered Office at Ananthapuram Village, T.P. Gudur, Mandal, Nellore – 524 344, Andhra Pradesh have examined the compliance of conditions of Corporate Governance by the Company, for the year ended March 31, 2024 as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

2. We have been requested by the Management of the Company to provide a certificate on compliance of conditions of Corporate Governance under the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

3. The Management is responsible for the compliance of conditions of Corporate Governance. Our examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

4. In our opinion and to the best of our information and according to the explanations given to us by the directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as laid down in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time except as stated in secretarial audit report.

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

For **Rengarajan & Associates**
*Company Secretaries*
Firm Registration No: S2015TN847100

**A Rengarajan**
Proprietor
FCS:6725, CP: 13437
UDIN : F006725F000477173
PR No: 3494/2023

PLACE: Chennai
DATE: May 29, 2024

## Annexure - 10 to the Directors Report

### CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members,
The Waterbase Limited
Ananthapuram Village,
T.P.Gudur Mandal
Nellore 524 344, Andhra Pradesh

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of The Waterbase Limited (CIN: L05005AP1987PLC018436) and having registered office at Ananthapuram Village, T.P. Gudur Mandal Nellore 524 344, Andhra Pradesh (hereinafter referred to as 'the Company), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(1) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below as on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

| S. No. | DIN | NAME OF THE DIRECTORS | DESIGNATION | DATE OF APPOINTMENT |
|---|---|---|---|---|
| 1. | 02322660 | Varun Aditya Thapar | Non-Executive - Non-Independent Director, Chairman (Promoter) | 05/02/2014 |
| 2. | 00020624 | Rahul Kapur | Non-Executive - Independent Director | 15/05/2019 |
| 3. | 00031194 | Anil Kumar Bhandari | Non-Executive - Independent Director | 15/05/2019 |
| 4. | 02125617 | Shashikala Venkatraman | Non-Executive - Independent Director | 14/11/2019 |
| 5. | 00061445 | Nitasha Thapar | Non-Executive - Non-Independent Director (Promoter) | 08/02/2023 |
| 6. | 00397420 | Rahul Chandrasingh Mehta | Non-Executive - Independent Director | 26/10/2023 |

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

For **Rengarajan & Associates**
*Company Secretaries*
Firm Registration No: S2015TN847100

**A Rengarajan**
Proprietor
FCS:6725, CP: 13437
UDIN : F006725F000477162
PR No: 3494/2023

Place: Chennai
Date: May 29, 2024

# INDEPENDENT AUDITOR'S REPORT

for the year ended March 31, 2024

To The Members of The Waterbase Limited

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying standalone financial statements of The Waterbase Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its loss, total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

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

### Key Audit Matters

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

| Sr. No. | Key Audit Matter | Auditor's Response |
|---|---|---|
| 1. | **Recoverability of trade receivables and allowance for credit loss on overdue trade receivables (including dues from customers under legal proceedings)**<br>The Company has total outstanding trade receivable of Rs. 6,194.61 Lakhs (corresponding allowance for expected credit loss amounts to Rs. 1,939.48 Lakhs) as of March 31, 2024. Gross trade receivables include Rs. 2,174.26 Lakhs of secured receivables as at March 31, 2024. Net trade receivables balance of Rs. 4,255.13 Lakhs is significant to the total assets of the Company (18% of total assets as at March 31, 2024).<br>The gross trade receivables include balance of Rs. 4,696.07 Lakhs lying overdue above the normal credit days allowed to the customers, which in turn includes Rs. 3,708.32 lakhs in respect of which the Company has initiated legal/arbitration proceedings for recovery the amounts due, which proceedings are ongoing.<br>Significant amount of trade receivables has exceeded the stipulated credit period given to the debtors increasing the chance of bad debts and blockage of working capital.<br>The appropriate valuation of trade receivables is dependent on a number of factors such as age, credit worthiness, intent, ability of counter parties to make payment, the timing/outcome of the legal proceedings and the value of the underlying security received in the form of mortgage of properties from the customers and the ability of the Company to liquidate the same. | **Principal Audit Procedures:**<br>Our audit approach was a combination of test of internal controls and substantive procedures including:<br>• Understanding the Company's process of assessing the recoverability, review of the customers onboarding and credit monitoring process, monitoring of the legal proceedings and determination of the provisioning for such overdue receivables.<br>• Evaluating the design and implementation and testing the operating effectiveness of the controls relating to management's assessment of recoverability, determination of expected credit loss of overdue trade receivables and monitoring of the legal proceedings, where applicable.<br>• Assessing the profile of trade receivables as at March 31, 2024 including test of the key registration / customer onboarding documents on a sample basis and the economic environment applicable to these trade receivables.<br>• Evaluating the simplified approach applied by the Company to identify lifetime expected credit losses. In doing so, tested the historical provision rates and an evaluation was carried out for the need for it to be adjusted to reflect relevant, reasonable and supportable information about expected recoveries in the future.<br>• Evaluating reasonableness of the method, assumptions and judgements used by the management with respect to recoverability of the customer balances, having regards to nature of the customers, based on information available with the Company and assessment of the intent of the counterparty to make payment based on passage of time, legal proceedings |

<table>
<tr><th>Sr. No.</th><th>Key Audit Matter</th><th>Auditor's Response</th></tr>
<tr><td></td><td>The carrying value is adjusted with the allowance for credit loss amount calculated based on the above-mentioned factors, wherein estimates and judgements are involved considering the delay and default risk and hence it has been considered as a key audit matter.<br>Refer to the accounting policies para 2.19 and Note 13 of the Standalone Financial Statement.</td><td>underway, expected valuation and liquidation plan of the security held by the Company and confirmation obtained by the management and determination of expected credit loss of overdue trade receivables, as applicable.<br>• Obtaining balance confirmation for samples of overdue receivables which are not under legal proceedings covering significant population of such receivables and verifying the reasonableness of the source of such confirmation responses as well and testing reconciliation for differences, if any for the confirmations received. Performing alternative procedures to test occurrence and existence of the receivables as at March 31, 2024 for cases where confirmations where not received.<br>• For receivables where legal/arbitration proceedings have been initiated, testing the movement in such proceedings during the year, understanding and evaluating the steps taken by the management to track and expedite the receipt of such dues, considering the awards received in favour or against the Company on such proceedings, where applicable and testing the assessment of the management regarding the recoverability of such dues.<br>• Where securities are available and considered by the management for the purposes of the credit evaluation, testing the underlying mortgage documents including registration thereof, the original title deeds available with the company, copies of the encumbrance certificate, guideline value of such security etc. to ascertain the charge in favour of the Company, on a sample basis.<br>• Testing the valuation of the underlying security with the valuation reports obtained from the registered valuer, where applicable, and assess reasonableness of the same with reference to the publicly available information in respect of such security and inputs from our internal fair valuation specialists on a sample basis.<br>• Evaluating disclosures made in the Standalone financial statements.</td></tr>
<tr><td>2</td><td>Existence and valuation of Inventory of Processing Plant:<br>Inventory of the Company consists primarily of variety of feeds, farm care products, processed shrimps and their raw materials.<br>As on March 31, 2024, the Company has inventory of processed shrimp at its processing plant which had a carrying value of Rs. 4,017.79 Lakhs that forms a major part of the total assets of the Company (17% of total assets as on March 31, 2024). The inventory of processed shrimp is valued at the lower of cost and net realizable value.<br>The Physical Verification of inventory on March 31, 2024 could not be completed by the management on a timely basis due to over stocking of the inventory in the cold storages where such processed shrimps are stored and therefore, we could not observe such verification of the physical inventory on or around March 31, 2024. The Management completed the physical verification subsequent to the year end in May 2024 and performed a roll back to reconcile the inventory as at March 31, 2024. We were therefore able to physically observe the complete inventory at the processing plant of the Company subsequent to March 31, 2024 in May 2024.<br>Further, the valuation process for the processing plant is largely manual, involves estimation, judgements, and assumptions around determination of:</td><td>Principal audit procedures performed:<br>Our audit approach was a combination of test of internal controls and substantive procedures including:<br>• Understanding the process followed by the Company with respect to the physical verification of stock at its processing plant and the valuation of such stock.<br>• Evaluating the design and implementation and testing the operating effectiveness of key controls surrounding the physical verification of inventories of processed shrimps by the management and valuation of inventory. This included the enquiries and verification of the additional controls deployed by the management in relation to the existence of the inventory as at March 31, 2024.<br>• Obtaining the report of the physical verification of inventory at the processing plant by the Management and also the report from the third party appointed by the management post year end for processed shrimps available at plant including the reconciliation of the roll back of the stock to the balance as at March 31, 2024 to reconcile if the details as per such reports were matching to the physical stock considered by the Management for valuation as at March 31, 2024.<br>• For Inventories at third party warehouses, obtaining direct confirmations as at March 31, 2024 and also physically inspected such stock at the third party on a sample basis.</td></tr>
</table>

## INDEPENDENT AUDITOR'S REPORT
for the year ended March 31, 2024

| Sr. No. | Key Audit Matter | Auditor's Response |
|---|---|---|
| | • Yield % after processing of shrimps by performing various activities such as Soaking, glazing, etc.<br>• Allocable overheads and their absorption rates.<br>• Net realisable value of the inventories.<br>Accordingly, testing of the existence and valuation of the year-end inventory balance at the processing plant, is considered to be one of the areas which required significant auditor attention owing to the increased efforts, complexity and judgements involved in the process of the valuation of inventory.<br>Refer Note 2.6 in the Summary of material accounting policies and other explanatory notes and Note 12 to the standalone financial statements. | • Physically observing the inventory at the processing plant post the year end.<br>• Testing the rollback reconciliation performed by the Management to arrive at the inventories at the year end by verifying on a sample basis, the following:<br>✓ Sales documents including the documents related to shipment for export purposes.<br>✓ Production records to test the actual production during the period.<br>✓ Purchase records and stock transfer to track the inward movement of inventory to the processing plant and to ascertain if the quantities considered by the management for the roll back reconciliation were appropriate.<br>✓ An analysis of the monthly stock levels at the processing plant, the capacity of the cold storage, the stock levels, production and sales during the periods of April and May 2024 to ascertain if the inventory quantities considered in the roll back analysis were reasonable taking into account the normal trends.<br>• Evaluating reasonableness of the valuation method used and mathematical accuracy.<br>• Testing the significant assumptions made in the valuation viz., yield rate, overhead allocation and verifying the same against available information with reference to data inputs used by the company to assess the accuracy, reliability, and completeness thereof. |

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

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

### Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone financial statements, management and Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

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

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

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for not complying with the requirement of audit trail as stated in (i)(vi) below.

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

## INDEPENDENT AUDITOR'S REPORT
for the year ended March 31, 2024

f) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above.

g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.

h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

   i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements- Refer Note 34 to the standalone financial statements.

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

   iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 45(v) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 45(v) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

   v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

   vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that audit trail feature was not enabled for transaction and master tablesto logany direct data changes for the year ended March 31, 2024. Refer note 47 to the standalone financial statements.

Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with, in respect of the accounting software for the period for which the audit trail feature was operating.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

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

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No.117366W/W-100018)

**R Prasanna Venkatesh**
(Partner)
(Membership No.214045)
(UDIN: 24214045BKEKKP7625)

Place: Chennai
Date: May 29, 2024

## ANNEXURE "A" to the INDEPENDENT AUDITOR'S REPORT

**(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

### Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of The Waterbase Limited ("the Company") as at March 31, 2024 in conjunction with our audit of the standalone Ind AS 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 with reference to standalone financial statements based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. 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 with reference to standalone financial statements 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

### Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone financial statements 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 with reference to standalone financial statements 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 with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## ANNEXURE “A” to the INDEPENDENT AUDITOR’S REPORT

### 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 with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to standalone financial statements 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 **Deloitte Haskins & Sells LLP**

Chartered Accountants
Firm’s Registration No.117366W/W-100018)

**R Prasanna Venkatesh**
(Partner)
(Membership No.214045)
(UDIN: 24214045BKEKKP7625)

Place: Chennai
Date: May 29, 2024

## ANNEXURE “B” to the INDEPENDENT AUDITOR’S REPORT

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

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i)(a) (A)The Company has maintained proper records showing full particulars, including quantitative details and situationof Property, Plant and Equipments and capital work in progress.

(i)(a) (B) The Company has maintained proper records showing full particulars of intangible assets.

(i)(b) Some of the Property, Plant and Equipment and capital work-in-progress were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the Property, Plant and Equipment and capital work-in-progress at reasonable intervals having regard to the size of the Company and the nature of its activities. According to the information and explanations given to us no material discrepancies were noticed on such verification.

(i)(c) Based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties, disclosed in the standalone financial statements included in Property Plant & Equipment & capital work in progress, are held in the name of the Company as at the balance sheet date. Immovable properties of land and buildings whose title deeds have been pledged as security for loans and guarantees are held in the name of the Company based on the confirmations directly received by us from lenders.

(i)(d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.

(i)(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii)(a) The inventories except for goods-in-transit and stocks held with third parties were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties at the year-end, written confirmations have been obtained and in respect of goods in transit, the same have been verified from the shipment records obtained from the management at the year end. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

(ii)(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising (stock statements and book debt statements) filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters ended June 30, 2023, September 30, 2023 and December 31, 2023. The Company is yet to submit the return/ statement for the quarter ended March 31, 2024, with the banks or financial institutions.

(iii) The Company has made investments in, provided guarantee or security and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which:

(iii)(a) The Company has made investment during the year but has not granted unsecured loans and provided any security or guarantee to any companies/ firms/Limited Liability Partnerships/ other partiesand hence reporting under clause (iii)(c)(d)(e)(f) of the Order is not applicable.

The aggregate amount invested during the year, and balance outstanding at the balance sheet date with respect to such investment are as per the table given below:

| **Particulars** | **Investment (Rs. in Lakhs)** |
|---|---|
| A. Aggregate amount investment made during the year | |
| - Subsidiary Company | 8.00 |
| B. Balance outstanding as at Balance Sheet date in respect of above cases | |
| - Subsidiary Company | 13.50 |

(iii)(b) The investments made during the year are, in our opinion, prima facie, not prejudicial to the Company’s interest except as stated above in clause (iii)(a).

(iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

## ANNEXURE "B" to the INDEPENDENT AUDITOR'S REPORT

(vi) The maintenance of cost records has not been specified for the activities of the company by Central Government under section 148(1) of the Companies Act, 2013.

(vii) In respect of statutory dues:

(a) Undisputed statutory dues, including Employees' State Insurance, Income-tax, Goods and Service Tax, duty of Custom, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities during the year except for few delays in respect of dues towards Provident Fund due to delay in KYC verification.

There were no undisputed amounts payable in respect of Goods and Service tax, Employees' State Insurance, Income-tax, Goods and Services Tax, duty of Custom, Professional Tax, cess and other material statutory dues in arrears as at March 31,2024 for a period of more than six months from the date they became payable except for provident fund aggregating Rs.0.87 Lakhs.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes are given below:

| Name of Statute | Nature of dues | Forum where dispute is pending | Period to which the amount relates | Amount (Rs. in Lakhs) |
|---|---|---|---|---|
| Customs Act, 1962 | Custom Duty | Chennai High Court | 1995-96 | 535.36 |
| Central Excise Act, 1944 | Central Excise Duty | Andhra Pradesh High Court | 2001-02 and 2002-03 | 22.86@ |
| Central Sales Tax Act, 1956 | Central Sales Tax | Asst. Commissioner (C.T.) (LTU) Nellore | 2012-13 | 2.38 |
| Central Sales Tax Act, 1956 | Central Sales Tax | Asst. Commissioner (C.T.) (LTU) Nellore | 2012-13 | 9.71# |
| Finance Act, 1994 (Chapter V) | Service Tax (including penalty etc.) | Asst. Commissioner (C.T.) | 2012-13 to 2014-15 | 2.99 |
| Goods & Service Tax Act, 2017 | Goods & Service Tax Act (including interest and penalty) | Additional Commissioner Sales Tax Appeals, Nellore | FY 2017-18 to FY 2021-22 | 539.72$ |
| Income Tax Act, 1961 | Income Tax | Deputy CIT, Kolkata | A. Y. 2010-11 | 3.10 |
| Income Tax Act, 1961 | Income Tax | Assistant CIT, Kolkata | A. Y. 2012-13 | 7.55 |
| Income Tax Act, 1961 | Income Tax | Assistant CIT, Kolkata | A. Y. 2013-14 | 4.73 |
| Income Tax Act, 1961 | Income Tax | Assistant CIT, Kolkata | A. Y. 2014-15 | 0.32 |
| Income Tax Act, 1961 | Income Tax | Assistant CIT, Kolkata | A. Y. 2015-16 | 0.25 |
| Income Tax Act, 1961 | Income Tax | Assistant CIT, Kolkata | A. Y. 2018-19 | 40.23 |
| Income Tax Act, 1961 | Income Tax | Assistant CIT, Kolkata | A. Y. 2019-20 | 12.22 |

@ Net of Rs. 34.72 Lakhs paid under protest and Rs. 14.88 Lakhs appropriated by the Department

# Net of Rs. 3.24 Lakhs paid as pre deposit.

$ Net of Rs. 37.46 Lakhs paid under appeal.

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payments of interest thereon to any lender during the year.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and there are no un-utilized term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.

(d) On the overall examination of the standalone financial statements of the company, funds raised on short-term basis have, prima facie, not been used during the year for long term purposes by the company.

(e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary. The Company does not have any joint ventures or associate companies.

(x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

## ANNEXURE “B” to the INDEPENDENT AUDITOR’S REPORT

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of the report.

(c) As represented by the Management, there was no whistle blower complaints received by the Company during the year (and upto the date of this audit report).

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2020 Order is not applicable.

(xiii) In our opinion, Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements etc. as required by the applicable accounting standards.

(xiv) (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto October 2023 and the draft of the internal audit reports where issued after the balance sheet date covering the period November 2023 to March 2024 for the period under audit.

(xv) In our opinion, during the year the Company has not entered into any non-cash transactions with any of its directors or directors of it’s holding company, subsidiary company or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act,1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

The Company does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.

(xvii) The Company has incurred cash losses amounting to Rs. 239.44 Lakhs in the financial year covered by our audit but had not incurred cash losses in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that 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) (a) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

(b) There is no amount remaining unspent under subsection (5) of section 135 of the Companies Act, pursuant to any ongoing project, has been transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants
Firm’s Registration No.117366W/W-100018)

**R Prasanna Venkatesh**
(Partner)
(Membership No.214045)
(UDIN: 24214045BKEKKP7625)

Place: Chennai
Date: May 29, 2024

## STANDALONE BALANCE SHEET
as at March 31, 2024

(All amounts are in ₹ Lakhs)

| Particulars | Note | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|---|
| **I. ASSETS** | | | |
| **1. Non-current assets** | | | |
| (a) Property, plant and equipment | 3a | 7,114.89 | 7,366.57 |
| (b) Right-of-Use assets | 4 | 40.08 | 87.01 |
| (c) Capital work in progress | 3b | 183.85 | 437.65 |
| (d) Intangible assets | 5 | 43.27 | 63.69 |
| (e) Financial assets | | | |
| (i) Investments in subsidiary | 6 | 13.50 | 5.50 |
| (ii) Other financial assets | 7 | 5.97 | 5.97 |
| (f) Deferred tax assets (net) | 8 | 665.19 | 394.34 |
| (g) Non-current tax assets (net) | 9 | 187.48 | 326.25 |
| (h) Other non-current assets | 10 | 432.92 | 227.04 |
| **Total non-current assets** | | **8,687.15** | **8,914.02** |
| **2. Current assets** | | | |
| (a) Biological assets | 11 | - | 18.25 |
| (b) Inventories | 12 | 8,290.65 | 7,509.66 |
| (c) Financial assets | | | |
| (i) Trade receivables | 13 | 4,255.13 | 8,662.89 |
| (ii) Cash and cash equivalents | 14 | 34.71 | 818.71 |
| (iii) Other balances with bank | 15 | 1,662.20 | 1,750.27 |
| (iv) Other financial assets | 7 | 100.62 | 482.15 |
| (d) Other current assets | 10 | 1,226.32 | 518.52 |
| **Total current assets** | | **15,569.63** | **19,760.45** |
| **TOTAL ASSETS** | | **24,256.78** | **28,674.47** |
| **II. EQUITY AND LIABILITIES** | | | |
| **1. Equity** | | | |
| (a) Equity share capital | 16 | 4,142.68 | 4,142.68 |
| (b) Other equity | 17 | 13,123.08 | 14,137.69 |
| **Total Equity** | | **17,265.76** | **18,280.37** |
| **2. Non-current liabilities** | | | |
| (a) Financial liabilities | | | |
| (i) Lease Liabilities | 4 | 5.88 | 47.57 |
| (b) Provisions | 18 | 307.52 | 275.77 |
| **Total non-current liabilities** | | **313.40** | **323.34** |
| **3. Current liabilities** | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 19 | 2,593.11 | 3,769.87 |
| (ii) Lease Liabilities | 4 | 41.69 | 50.38 |
| (iii) Trade payables | | | |
| (i) total outstanding dues of micro enterprises and small enterprises | 20 | 230.05 | 328.44 |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | | 2,934.62 | 4,228.02 |
| (iv) Other financial liabilities | 21 | 629.14 | 1,393.86 |
| (b) Provisions | 18 | 29.49 | 38.93 |
| (c) Other current liabilities | 22 | 219.52 | 261.26 |
| **Total current liabilities** | | **6,677.62** | **10,070.76** |
| **TOTAL EQUITY AND LIABILITIES** | | **24,256.78** | **28,674.47** |

See accompanying notes 1-49 forming an integral part of the Standalone financial statements

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
*Chartered Accountants*
Firm's Registration No. 117366W/W-100018

**R. Prasanna Venkatesh**
*Partner*
*Membership No. 214045*

Place: Chennai
Date: May 29, 2024

For and on behalf of the Board of Directors

**Varun Aditya Thapar**
Chairman
DIN : 02322660
Place : New Delhi
Date: May 29, 2024

**Rahul C Mehta**
Director
DIN : 00397420
Place : New Delhi
Date: May 29, 2024

**Bala Arumugam**
*Company Secretary*
Place : New Delhi
Date: May 29, 2024

**Ramakanth V Akula**
*Chief Executive Officer*
Place : New Delhi
Date: May 29, 2024

**R Sureshkumar**
*Chief Financial Officer*
Place : New Delhi
Date: May 29, 2024

## STANDALONE STATEMENT OF PROFIT & LOSS

for the year ended March 31, 2024

(All amounts are in ₹ Lakhs)

| Particulars | | Note | **For the year ended March 31, 2024** | For the year ended March 31, 2023 |
|---|---|---|---|---|
| I. | Revenue from operations | 23 | 33,925.31 | 30,407.83 |
| II. | Other income | 24 | 308.21 | 264.44 |
| **III.** | **Total Income (I+II)** | | **34,233.52** | **30,672.27** |
| IV. | Expenses | | | |
| | a) Cost of materials consumed | 25 | 26,666.00 | 24,618.29 |
| | b) Purchases of stock-in-trade | 26 | 446.68 | 386.24 |
| | c) Changes in inventories of finished goods, work in progress, stock-in-trade and biological assets | 27 | (1,570.18) | (2,444.64) |
| | d) Employee benefits expense | 28 | 2,657.97 | 2,813.98 |
| | e) Finance costs | 29 | 300.62 | 210.96 |
| | f) Depreciation and amortization expenses | 30 | 951.73 | 894.53 |
| | g) Other expenses | 31 | 6,104.92 | 4,628.99 |
| | **Total Expenses (IV)** | | **35,557.74** | **31,108.35** |
| **V.** | **Loss before tax (III-IV)** | | (1,324.22) | (436.08) |
| **VI.** | **Tax expenses** | 32 | | |
| | a) Current tax | | - | - |
| | b) Deferred tax | | (280.61) | (89.28) |
| | **Total Tax expense (VI)** | | **(280.61)** | **(89.28)** |
| **VII.** | **Loss for the year (V-VI)** | | **(1,043.61)** | **(346.80)** |
| VIII. | Other comprehensive income | | | |
| | a) Items that will not be reclassified to profit or loss | | | |
| | (i) Re-measurements of defined benefit plans | 40 | 38.76 | 24.54 |
| | (ii) Income tax relating to above | 32 | (9.76) | (6.18) |
| | **Total other comprehensive income** | | **29.00** | **18.36** |
| **IX.** | **Total comprehensive Loss for the year (VII+VIII)** | | **(1,014.61)** | **(328.44)** |
| **X.** | **Earnings per equity share (Nominal value of Rs.10/- per share)** | 33 | | |
| | a) Basic | | (2.52) | (0.84) |
| | b) Diluted | | (2.52) | (0.84) |

See accompanying notes 1-49 forming an integral part of the Standalone financial statements

IIn terms of our report attached
For **Deloitte Haskins & Sells LLP**
*Chartered Accountants*
Firm's Registration No. 117366W/W-100018

**R. Prasanna Venkatesh**
*Partner*
*Membership No. 214045*

Place: Chennai
Date: May 29, 2024

For and on behalf of the Board of Directors

**Varun Aditya Thapar**
Chairman
DIN : 02322660
Place : New Delhi
Date: May 29, 2024

**Rahul C Mehta**
Director
DIN : 00397420
Place : New Delhi
Date: May 29, 2024

**Bala Arumugam**
*Company Secretary*
Place : New Delhi
Date: May 29, 2024

**Ramakanth V Akula**
*Chief Executive Officer*
Place : New Delhi
Date: May 29, 2024

**R Sureshkumar**
*Chief Financial Officer*
Place : New Delhi
Date: May 29, 2024

## STANDALONE STATEMENT OF CASH FLOW

for the year ended March 31, 2024

(All amounts are in ₹ Lakhs)

| Particulars | For the Period ended March 31, 2024 | | For the Period ended March 31, 2023 | |
|---|---|---|---|---|
| **A. CASH FLOW FROM OPERATING ACTIVITIES** | | | | |
| **Loss Before Tax** | | (1,324.22) | | (436.08) |
| Adjustments for: | | | | |
| Depreciation and amortisation expenses | 904.80 | | 844.34 | |
| Amortisation on Right of Use assets | 46.93 | | 50.19 | |
| Finance Cost on Lease liabilities | 6.75 | | 11.22 | |
| Profit on sale of property, plant and equipment | - | | (54.11) | |
| Property, plant and equipment written off | 0.49 | | 6.53 | |
| Finance costs | 293.87 | | 199.74 | |
| Interest income | (191.66) | | (144.92) | |
| Interest on Income tax Refund | (72.51) | | - | |
| Bad debts recovery | (3.95) | | (25.50) | |
| Provisions for allowance for Expected Credit Loss (Net) | 129.08 | | - | |
| Provision for doubtful advances written back | (30.08) | | - | |
| Proceeds from sale of Mutual fund | - | | (20.24) | |
| Liability no longer required written back | (36.98) | | (5.51) | |
| Unrealised foreign exchange loss | 3.97 | | 0.36 | |
| | | 1,050.71 | | 862.10 |
| **Operating (loss) / profit before working capital changes** | | (273.51) | | 426.02 |
| Changes in working capital: | | | | |
| Adjustments for (increase) / decrease in operating assets: | | | | |
| Inventories | (780.99) | | (1,617.47) | |
| Trade receivables | 4,278.22 | | (4,749.48) | |
| Biological assets | 18.25 | | (0.54) | |
| Other assets (non-current and current) | (734.94) | | (188.39) | |
| Other financial assets (non-current and current) | 6.71 | | (14.67) | |
| Adjustments for (decrease) / increase in operating liabilities: | | | | |
| Trade payables | (1391.37) | | 2,022.16 | |
| Other financial liabilities (non-current and current) | (725.35) | | 357.22 | |
| Other liabilities (non-current and current) | (4.76) | | 93.07 | |
| Provisions (non-current and current) | 61.07 | | 46.09 | |
| | | 726.84 | | (4,052.01) |
| **Cash generated from / (used in) operations** | | **453.33** | | **(3,625.99)** |
| Net income taxes refund(Net) (including interest) | | 211.28 | | (29.45) |
| **NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES (A)** | | **664.61** | | **(3,655.44)** |
| **B. CASH FLOW FROM INVESTING ACTIVITIES** | | | | |
| Acquisition of property, plant and equipment and intangible assets | (575.15) | | (1773.61) | |
| Proceeds from sale of property, plant and equipment | - | | 60.84 | |
| Proceeds from fixed deposits Matured | 2,049.38 | | 3,042.00 | |
| Investment in fixed deposits | (1,549.36) | | (3,016.00) | |
| Purchase of Mutual Funds | - | | (1,399.93) | |
| Proceeds from sale of Mutual Funds | - | | 1,420.17 | |
| Interest received on deposits and others | 154.28 | 79.15 | 150.67 | (1,515.86) |
| **NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES (B)** | | **79.15** | | **(1,515.86)** |
| **C. CASH FLOW FROM FINANCING ACTIVITIES** | | | | |
| Finance costs | (293.87) | | (199.74) | |
| Proceeds from Working Capital Demand Loan | 3,120.00 | | 2,985.00 | |
| Repayment of Working Capital Demand Loan | (3,855.00) | | - | |
| Proceeds from Pre-Shipment Credit In Foreign Currency | - | | 1,166.26 | |
| Repayment of Pre-Shipment Credit In Foreign Currency | (357.81) | | (808.45) | |
| Principal repayment for Lease liabilities | (50.39) | | (48.91) | |
| Finance Cost on Lease liabilities | (6.75) | (1,443.82) | (11.22) | 3,082.94 |
| **NET CASH GENERATED FROM / (USED IN) FINANCING ACTIVITIES (C)** | | **(1,443.82)** | | **3,082.94** |
| **DECREASE IN CASH AND CASH EQUIVALENTS (A + B + C)** | | **(700.05)** | | **(2,088.36)** |
| Cash and cash equivalents as at Apr 1 | | 391.65 | | 2,480.01 |
| Cash and cash equivalents as at Mar 31 | | (308.40) | | 391.65 |
| **Net decrease in cash and cash equivalents** | | **(700.05)** | | **(2,088.36)** |

## STANDALONE STATEMENT OF CASH FLOW

for the year ended March 31, 2024

(All amounts are in ₹ Lakhs)

**Notes :**

i. Cash and cash equivalents as at :

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|---|---|---|---|---|
| Cash in hand | | 2.72 | | 2.94 |
| Balances with banks: | | | | |
| In current accounts | 31.99 | | 35.77 | |
| Deposits with original maturity of less than three months | - | 31.99 | 780.00 | 815.77 |
| Less: Cash Credit Facilities | | (343.11) | | (427.06) |
| **Total** | | **(308.40)** | | **391.65** |

ii. The above statement of Standalone cashflow has been prepared under the indirect method as set out in Indian Accounting standard (IND AS) 7 "Statement of Cashflow".

iii. During the year ended Mar 31, 2024, advances given to the subsidiary company aggregating to Rs. 8.00 Lakhs has been converted into equity shares of the Subsidary Company.

iv. Changes in Liabilities arising from Financing Activities

| Particulars | As at April 1, 2023 | Cash Flows | Non cash Changes | | As at March 31, 2024 |
|---|---|---|---|---|---|
| | | | Fair value changes | Current/ Non - current Classification | |
| **i) Borrowings (Current)** | | | | | |
| a) Working capital demand loan | 2,985.00 | (735.00) | - | - | 2,250.00 |
| b) Preshipment - credit in Foreign Currency | 357.81 | (357.81) | - | - | - |
| **ii) Other Financial Liabilities** | 97.95 | (50.39) | - | - | 47.57 |

| Particulars | As at April 1, 2022 | Cash Flows | Non cash Changes | | As at March 31, 2023 |
|---|---|---|---|---|---|
| | | | Fair value changes | Current/ Non - current Classification | |
| **i) Borrowings (Current)** | | | | | |
| a) Working capital demand loan | - | 2,985.00 | - | - | 2,985.00 |
| b) Preshipment - credit in Foreign Currency | - | 357.81 | - | - | 357.81 |
| **ii) Other Financial Liabilities** | 146.85 | (48.89) | - | - | 97.95 |

See accompanying notes 1-49 forming an integral part of the Standalone financial statements

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
*Chartered Accountants*
Firm's Registration No. 117366W/W-100018

**R. Prasanna Venkatesh**
*Partner*
*Membership No. 214045*

Place: Chennai
Date: May 29, 2024

For and on behalf of the Board of Directors

**Varun Aditya Thapar**
Chairman
DIN : 02322660
Place : New Delhi
Date: May 29, 2024

**Rahul C Mehta**
Director
DIN : 00397420
Place : New Delhi
Date: May 29, 2024

**Bala Arumugam**
*Company Secretary*
Place : New Delhi
Date: May 29, 2024

**Ramakanth V Akula**
*Chief Executive Officer*
Place : New Delhi
Date: May 29, 2024

**R Sureshkumar**
*Chief Financial Officer*
Place : New Delhi
Date: May 29, 2024

## STANDALONE STATEMENT OF CHANGES IN EQUITY
for the year ended March 31, 2024

(All amounts are in ₹ Lakhs)

**A) Equity Share capital**

| Balance as at April 1, 2023 | Changes in Equity share capital due to Prior Period errors | Restated balance at the beginning of the current reporting Period | Changes in equity share capital during the current year | Balance as at March 31, 2024 |
|---|---|---|---|---|
| 4,142.68 | - | 4,142.68 | - | 4,142.68 |

| Balance as at April 1, 2022 | Changes in Equity share capital due to Prior Period errors | Restated balance at the beginning of the current reporting Period | Changes in equity share capital during the current year | Balance as at March 31, 2023 |
|---|---|---|---|---|
| 4,142.68 | - | 4,142.68 | - | 4,142.68 |

**B) Other Equity**

| Particulars | Reserves and Surplus | | | | Total |
|---|---|---|---|---|---|
| | Securities premium | Capital reserve | General reserve | Retained earnings | |
| **Balance as at April 1, 2022** | **1,473.49** | **1,026.10** | **1,315.07** | **10,651.47** | **14,466.13** |
| Loss for the year | - | - | - | (346.80) | (346.80) |
| Re-measurement gain on defined benefit plan (net of tax) | - | - | - | 18.36 | 18.36 |
| **Total comprehensive income for the year** | **-** | **-** | **-** | **(328.44)** | **(328.44)** |
| **Balance as at Mar 31, 2023** | **1,473.49** | **1,026.10** | **1,315.07** | **10,323.03** | **14,137.69** |
| Changes in accounting Policy or prior period errors | - | - | - | - | - |
| **Restated balance as at Mar 31, 2023** | **1,473.49** | **1,026.10** | **1,315.07** | **10,323.03** | **14,137.69** |
| Loss for the year | - | - | - | (1,043.61) | (1,043.61) |
| Re-measurement gain on defined benefit plan (net of tax) | - | - | - | 29.00 | 29.00 |
| Total comprehensive income for the year | - | - | - | (1,014.61) | (1,014.61) |
| **Balance as at Mar 31, 2024** | **1,473.49** | **1,026.10** | **1,315.07** | **9,308.42** | **13,123.08** |
| Changes in accounting policy or prior periods error | - | - | - | - | - |
| **Restated Balance as at Mar 31, 2024** | **1,473.49** | **1,026.10** | **1,315.07** | **9,308.42** | **13,123.08** |

See accompanying notes 1-49 forming an integral part of the Standalone financial statements

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
*Chartered Accountants*
Firm's Registration No. 117366W/W-100018

**R. Prasanna Venkatesh**
*Partner*
*Membership No. 214045*

Place: Chennai
Date: May 29, 2024

For and on behalf of the Board of Directors

**Varun Aditya Thapar**
Chairman
DIN : 02322660
Place : New Delhi
Date: May 29, 2024

**Rahul C Mehta**
Director
DIN : 00397420
Place : New Delhi
Date: May 29, 2024

**Bala Arumugam**
*Company Secretary*
Place : New Delhi
Date: May 29, 2024

**Ramakanth V Akula**
*Chief Executive Officer*
Place : New Delhi
Date: May 29, 2024

**R Sureshkumar**
*Chief Financial Officer*
Place : New Delhi
Date: May 29, 2024

# NOTES TO STANDALONE FINANCIAL STATEMENT

**Corporate Information**

The Waterbase Limited ("the Company") is a listed entity incorporated in the year 1987 in India. It is in the business of manufacturing and sale of Shrimp Feeds and Shrimp Aquaculture for 30 years. The company is also in the business of Shrimp Hatchery.

**1. Basis of accounting and Preparation of Standalone Financial Statements**

**1.1 Statement of Compliance with Ind AS**

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

**1.2 Basis of preparation and measurement**

The financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

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

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

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

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

**Level 1** – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

**Level 2** – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

**Level 3** – Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**2. Material Accounting Policies**

**2.1 Property plant and equipment**

Property, plant and equipment are initially recognized at cost. The initial cost of property, plant and equipment comprises its purchase price, including non-refundable duties and taxes net of any trade discounts and rebates. The cost of property, plant and equipment includes interest on borrowings (borrowing cost) directly attributable to acquisition, construction or production of qualifying assets subsequent to initial recognition. Property, plant and equipment are stated at cost less accumulated depreciation (other than freehold land, which are stated at cost) and impairment losses, if any.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and useful lives.

Depreciation is recognizedso as to write off the cost of assets (other than freehold land and capital work in progress) less their residual values over the useful lives, using the straight- line method ("SLM") as defined in Schedule II to the Companies Act, 2013. Management believes based on a technical evaluation (which is based on technical advice, taking into account

## NOTES TO STANDALONE FINANCIAL STATEMENT

the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.) that the revised useful lives of the assets reflect the periods over which these assets are expected to be used, which are as follows:

| Asset | Useful live |
|---|---|
| **Building** | |
| Buildings including factory buildings – other than RCC frame structure | 30 years |
| Buildings other than factory buildings – RCC frame structure | 60 years |
| Fences, wells and tube wells | 5 Years |
| Temporary structure | 3 years |
| Non-carpeted road | 3 years |
| **Plant and equipment** | |
| Plant and Machinery (including general laboratory equipment) | 1-30years |
| Furniture and fixtures | 1-10 years |
| Office Equipment | 1-5 years |
| Vehicles | 6-10 years |
| **Computers** | |
| Computer - Server and networks | 6 years |
| Computer – Desktops, Laptops | 3 years |
| Computer – Accessories | 1 year |

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognized in profit or loss. Fully depreciated assets still in use are retained in financial statements.

### 2.2 Intangible assets

Intangible assets are measured on initial recognition at cost and subsequently are carried at cost less accumulated amortization and accumulated impairment losses, if any.All intangible assets are tested for impairment. Amortization expenses and impairment losses and reversal of impairment losses are taken to the Statement of Profit and Loss.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses on derecognition are determined by comparing proceeds with carrying amount. These are included in profit or loss.

The Company amortizes intangible assets with a finite useful life using the straight-line method over the following range of useful lives:

| Asset | Useful live |
|---|---|
| Computer software | 5-10 years |

The estimated useful life is reviewed annually by the management.

### 2.3 Capital work-in-progress and intangible assets under development

Capital work-in-progress / intangible assets under development are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost.

### 2.4 Non-derivative financial instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

**Cash and cash equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

**Financial assets at amortized cost**

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets 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 (FVTOCI)**

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

The Company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in Other Comprehensive Income.

**Financial assets at fair value through profit or loss (FVTPL)**

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in profit or loss.

**Derecognition of financial assets**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset.

**Financial liabilities**

Financial liabilities are measured at amortized cost using the effective interest method.

**Derecognition of financial liabilities**

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognised in profit or loss.

**Equity instruments**

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments recognized by the Company are measured at the proceeds received net off direct issue cost.

**Offsetting of financial instruments**

Financial assets and financial liabilities are off set and the net amount is reported in financial statements if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

## NOTES TO STANDALONE FINANCIAL STATEMENT

### 2.5 Impairment

**Financial assets (other than at fair value)**

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

**Property Plant and Equipment's and intangibles assets**

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. 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. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the Statement of Profit and Loss.

Impairment losses recognized in prior years are reversed when there is an indication that the impairment losses recognized no longer exist or have decreased. Such reversals are recognized as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognized in previous years.

### 2.6 Inventories

Inventories are valued at lower of cost (on weighted average basis) and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to their present location and condition, including all taxes and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

### 2.7 Biological assets

Biological assets of the Company comprise of livestocks of shrimps breeders and different phases of shrimp (viz. Zoea, Mysis, Post Larvae, etc.) that are classified as current biological assets. The Company recognises biological assets when, and only when, the Company controls the assets as a result of past events, it is probable that future economic benefits associated with such assets will flow to the Company and the fair value or cost of the assets can be measured reliably. Expenditure incurred on biological assets are measured on initial recognition and at the end of each reporting period at its fair value less costs to sell. The gain or loss arising from a change in fair value less costs to sell of biological assets are included in Statement of Profit and Loss for the period in which it arises.

### 2.8 Revenue recognition

**Revenue from contract with customers for sale of goods and services**

Revenue from contract with customers is recognized when the Company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at a point of time or over a period of time. Performance obligations satisfied over a period of time are recognized as per the terms of relevant contractual agreements/ arrangements. Performance obligations are said to be satisfied at a point of time when the customer obtains controls of the asset.

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

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

The Company recognises as an asset, the incremental costs of obtaining a contract with a customer, if the Company expects to recover those costs. The said asset is amortised on a systematic basis consistent with the transfer to goods or services to the customer.

**Dividend**

Dividend income from investments is recognized when the unconditional right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

**Insurance claims**

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

**2.9 Research and Development expenses**

Research expenditure is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technical feasibility has been established, in which case such expenditure is capitalised. Tangible assets used in research and development are capitalised.

**2.10 Leases**

**The Company as a lessee:**

The Company's lease asset classes primarily consist of leases for land and 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: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) 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. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

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 these 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.

**The Company as a lessor:**

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

**2.11 Employee benefit expenses**

Employee benefits consist of contribution to provident fund, superannuation fund, gratuity fund and compensated absences.

**Post-employment benefit plans**

**Defined Contribution plans**

Payments to defined contribution retirement benefit scheme for eligible employees in the form of superannuation fund are charged as an expense as they fall due. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made.

The Company also makes contribution towards provident fund, in substance a defined contribution retirement benefit plan for qualifying employees. The provident fund is deposited with the Provident Fund Commissioner which is recognized by the Income Tax authorities.

## NOTES TO STANDALONE FINANCIAL STATEMENT

**Defined benefit plans**

The liability or asset recognized in the balance sheet in respect of its defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the said obligation is determined by discounting the estimated future cash outflows, using market yields of government bonds that have tenure approximating the tenures of the related liability.

The interest income / (expense) are calculated by applying the discount rate to the net defined benefit liability or asset. The net interest income / (expense) on the net defined benefit liability or asset is recognized in the Statement of Profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

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

Gratuity - The Company has an obligation towards gratuity, a defined benefit plan covering eligible employees. The plan provides for lump sum payment to vested employees on retirement, death while in employment or on separation. Vesting occurs upon completion of five years of service. The liability, which is determined by means of an independent actuarial valuation, is partly funded with LICI by the Company.

**Short term employee benefit and other long-term employee benefits**

Compensated absences which accrue to employees and which can be carried to future periods but are expected to be encashed or availed in twelve months immediately following the year end are reported as expenses during the year in which the employees perform the services that the benefit covers and the liabilities are reported at the undiscounted amount of the benefits after deducting amounts already paid. Where there are restrictions on availment of encashment of such accrued benefit or where the availment or encashment is otherwise not expected to wholly occur in the next twelve months, the liability on account of the benefit is actuarially determined using the projected unit credit method.

### 2.12 Foreign currency translation

The functional and presentation currency of the Company is Indian rupee

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

### 2.13 Borrowing cost

Borrowing costs are interest and ancillary costs incurred in connection with the arrangement of borrowings. General and specific borrowing costs attributable to acquisition and construction of any qualifying asset (one that takes a substantial period of time to get ready for its designated use or sale) are capitalised until such time as the assets are substantially ready for their intended use or sale, and included as part of the cost of that asset. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed beyond reasonable time due to other than temporary interruption. All the other borrowing costs are recognized in the Statement of Profit and Loss within Finance costs of the period in which they are incurred.

### 2.14 Segment reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the Chief Operating Decision Maker (CODM), in deciding how to allocate resources and assessing performance. The Company's CODM is the CEO.

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on a reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

### 2.15 Taxation

The income tax expense represents the sum of the tax currently payable and deferred tax.

**Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

A provision is recognized for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable.

**Deferred tax**

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company's expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

**2.16 Accounting of provisions, contingent liabilities and contingent assets**

Provisions are recognized, when there is a present legal or constructive obligation as a result of past events, where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. Where the effect is material, the provision is discounted to net present value using an appropriate current market-based pre-tax discount rate and the unwinding of the discount is included in finance costs.

Contingent liabilities are recognized only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources, or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets are not recognized in the financial statements unless an inflow of economic benefits is probable.

**2.17 Dividend to equity shareholders**

Dividends paid (including income tax thereon) is recognized in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders in the general meeting.

**2.18 Earnings per share (EPS)**

Basic EPS is computed by dividing the profit or loss attributable to the equity shareholders of the Company by the weighted average number of Ordinary equity shares outstanding during the year.

Diluted EPS is computed by adjusting the profit or loss attributable to the ordinary equity shareholders and the weighted average number of ordinary equity shares, for the effects of all dilutive potential Ordinary shares.

**2.19 Use of estimates and judgement**

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialise.

## NOTES TO STANDALONE FINANCIAL STATEMENT

**Judgements**

In the process of applying the Company's accounting policies, management has made the following judgements, apart from those involving estimates, which have the most significant effect on the amounts recognized in the financial statements:

**Recognition of deferred tax assets**

The extent to which deferred tax assets can be recognized is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry- forwards can be utilized. In addition, significant judgment is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

**Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due tomarket changes or circumstances arising that are beyond the control of the Company. Such changesare reflected in the assumptions when they occur.

**Allowance for trade receivables**

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for expected credit loss. The Company recognises impairment loss allowance based upon expected credit loss at each reporting date, right from its initial recognition on the basis of past trend and also based on the provision policy framed by the management after adjusting the market value of the security taken from the customers in the form of mortgage property and bank guarantee. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition.

**Impairment of non- financial assets**

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

**Inventories**

Management estimates the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realization of these inventories may be affected by future technology or other market-driven changes that may reduce future selling prices.

**Biological Assets**

Management estimates the fair value less costs to sell of biological assets, taking into account the most reliable evidence available at each reporting date. The future realization of these biological assets may be affected by their survival rate, age and / or other market-driven changes that may reduce the future economic benefits associated with such assets. The fair value is arrived at based on the observable market prices of biological assets adjusted for cost to sells, as applicable.

**Defined Benefit Obligation (DBO)**

Management's estimate of the DBO is based on a number of critical underlying assumptions such as attrition rate, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses (as analyzed in Note 40).

**Useful lives of depreciable assets**

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain assets.

**Fair value measurement of financial instruments**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

(i) In the principal market for the asset or liability, or

(ii) In the absence of a principal market, in the most advantageous market for the asset or liability

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non- financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

**Current and non-current classification**

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

**2.20 Recent accounting pronouncements**

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. MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules,2023, applicable from April 1, 2023, as below:

Ind AS 1 -Presentation of Financial Statements

The amendment requires disclosure of material accounting policies instead of significant accounting policies. In the Standalone financial statements the disclosure of accounting policies has been accordingly modified. The impact of such modifications to the accounting policies is expected to be insignificant.

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

The amendment has defined accounting estimate as well as laid down the treatment of accounting estimate to achieve the objective set out by accounting policy. There is no impact of the amendment on the Standalone Financial Statements.

Ind AS 12-Income taxes

The definition of deferred tax asset and deferred tax liability is amended to apply initial recognition exception on assets and liabilities that does not give rise to equal taxable and deductible temporary differences. There is no impact of the amendment on the Standalone Financial Statements.

## NOTES TO STANDALONE FINANCIAL STATEMENT

(All amounts are in ₹ Lakhs)

### Note No. 3a Property, plant and equipment

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **Property, plant and equipment** | | |
| Freehold land | 545.28 | 545.28 |
| Building | 3,508.92 | 3,606.00 |
| Plant and equipment | 2,643.80 | 2,879.09 |
| Furniture and fixtures | 54.04 | 42.98 |
| Vehicles | 125.67 | 161.93 |
| Office equipment | 202.54 | 97.37 |
| Computers | 34.64 | 33.92 |
| **Total** | **7,114.89** | **7,366.57** |

| Particulars | Freehold land | Building | Plant and equipment | Furniture and fixtures | Vehicles | Office equipment | Computers | Total PPE |
|---|---|---|---|---|---|---|---|---|
| **Cost or Deemed Cost** | | | | | | | | |
| **As at Apr 1, 2022** | **525.50** | **3,806.08** | **5,407.54** | **133.86** | **350.18** | **187.67** | **112.10** | **10,522.93** |
| Additions/Acquisitions | 20.67 | 993.03 | 811.73 | 3.47 | 10.17 | 61.39 | 26.16 | 1,926.62 |
| Disposals/Write off | (0.89) | - | - | - | (32.49) | - | - | (33.38) |
| **As at Mar 31, 2023** | **545.28** | **4,799.11** | **6,219.27** | **137.33** | **327.86** | **249.06** | **138.26** | **12,416.17** |
| Additions/Acquisitions | - | 113.59 | 332.48 | 19.19 | 0.88 | 152.38 | 14.66 | 633.18 |
| Disposals/Write off | - | - | - | - | - | (1.62) | (7.33) | (8.95) |
| **As at Mar 31, 2024** | **545.28** | **4,912.70** | **6,551.75** | **156.52** | **328.74** | **399.82** | **145.59** | **13,040.40** |
| **Depreciation and Impairment** | | | | | | | | |
| **As at April 01, 2022** | **-** | **1,001.68** | **2,804.20** | **86.98** | **145.21** | **113.56** | **95.34** | **4,246.97** |
| Depreciation charge for the year | - | 191.43 | 535.98 | 7.37 | 40.84 | 38.13 | 9.00 | 822.75 |
| Disposals/Write off | - | - | - | - | (20.11) | - | - | (20.11) |
| **As at Mar 31, 2023** | **-** | **1,193.11** | **3,340.18** | **94.35** | **165.94** | **151.69** | **104.34** | **5,049.60** |
| Depreciation charge for the year | - | 210.67 | 567.77 | 8.13 | 37.12 | 47.13 | 13.53 | 884.36 |
| Disposals/Write off | - | - | - | - | - | (1.54) | (6.92) | (8.46) |
| **As at Mar 31, 2024** | **-** | **1,403.78** | **3,907.95** | **102.48** | **203.06** | **197.28** | **110.95** | **5,925.50** |
| **Carrying Amount** | | | | | | | | |
| **As at Mar 31, 2023** | **545.28** | **3,606.00** | **2,879.09** | **42.98** | **161.93** | **97.37** | **33.92** | **7,366.57** |
| **As at Mar 31, 2024** | **545.28** | **3,508.92** | **2,643.80** | **54.04** | **125.67** | **202.54** | **34.64** | **7,114.89** |

**Note:**

(i) All the title deeds of all the immovable property (other than properties where Company is the lessee and lease agreements are duly executed in the favour of the lessee) are in the name of the Company.

(ii) On Mar 11, 2024, the Company entered into a transfer agreement with KCT Group Trust to acquire the identified assets of the Trust as mentioned below:

| Particulars | As at March 31, 2024 |
|---|---|
| Purchase of PPE | 71.00 |
| Purchase consideration | 71.00 |

### Note No. 3b Capital work-in-progress

| Carrying Amount | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **Capital work-in-progress** | **183.85** | **437.65** |

## NOTES TO STANDALONE FINANCIAL STATEMENT

(All amounts are in ₹ Lakhs)

| Particulars | Capital work-in-progress |
|---|---|
| **As at Apr 1, 2022** | **343.85** |
| Add: Additions | 2,020.42 |
| Less: Capitalizations | (1,926.62) |
| **As at Mar 31, 2023** | **437.65** |
| Add: Additions | 379.38 |
| Less: Capitalizations | (633.18) |
| **As at Mar 31, 2024** | **183.85** |

Ageing Schedule of Capital work-in-progress as on Mar 31, 2024 is as follows -

| Capital work-in-progress | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|---|---|---|---|---|---|
| Projects in Progress | 142.29 | 41.56 | - | - | 183.85 |

Ageing Schedule of Capital work-in-progress as on Mar 31, 2023 is as follows -

| Capital work-in-progress | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|---|---|---|---|---|---|
| Projects in Progress | 308.50 | 129.15 | - | - | 437.65 |

The Company doesn't have capital-work-in-progress, whose completion is overdue or has exceeded its cost compared to its original plan.

### Note No. 4 Right of use assets and Lease Liabilities

**Right- of-use (ROU) assets :**

Following are the changes in the carrying value of right of use assets:

| Carrying Amount | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **Right -of -Use assets** | 40.08 | 87.01 |
| | **40.08** | **87.01** |

| Particulars | Category of ROU asset Buildings |
|---|---|
| **Carrying Amount :** | |
| **As at Apr 1, 2022** | **218.65** |
| Additions | - |
| Disposal | - |
| **As at Mar 31, 2023** | **218.65** |
| Additions | - |
| Disposal | - |
| **As at Mar 31, 2024** | **218.65** |
| **Amortisation and Impairment** | |
| **As at Apr 1, 2022** | **81.45** |
| Amortisation charge for the year | 50.61 |
| Adjustment during the year | (0.42) |
| **As at Mar 31, 2023** | **131.64** |
| Amortisation charge for the year | 46.93 |
| **As at Mar 31, 2024** | **178.57** |
| **Carrying amount as at Mar 31, 2023** | **87.01** |
| **Carrying amount as at Mar 31, 2024** | **40.08** |

The aggregate amortisation expense on ROU assets is included under depreciation and amortisation expense (Note-30) in the Statement of Profit and Loss.

## NOTES TO STANDALONE FINANCIAL STATEMENT

(All amounts are in ₹ Lakhs)

**Lease Liabilities :**

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

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Current lease liabilities | 41.69 | 50.38 |
| Non-current lease liabilities | 5.88 | 47.57 |
| | **47.57** | **97.95** |

| Particulars | Lease Liabilities |
|---|---|
| **Cost :** | |
| **As at Apr 1, 2022** | **146.85** |
| Additions | - |
| Disposal | - |
| **As at Mar 31, 2023** | **146.85** |
| Additions | - |
| Disposal | - |
| **As at Mar 31, 2024** | **146.85** |
| Finance cost accrued during the period | 11.22 |
| Less : Payment of lease liabilities | 60.13 |
| Add: Adjustment during the year | 0.01 |
| **As at Mar 31 2023** | **97.95** |
| Finance cost accrued during the period | 6.75 |
| Less : Payment of lease liabilities | 57.14 |
| Add: Adjustment during the year | 0.01 |
| **As at Mar 31, 2024** | **47.57** |
| **Carrying amount as at Mar 31, 2023** | **97.95** |
| **Carrying amount as at Mar 31, 2024** | **47.57** |

The Company does not face a significant liquidity risk with regard to its lease as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

**The table below provides details regarding the contractual maturities of net investment in ROU asset on an undiscounted basis:**

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|---|---|---|---|---|
| | Within 1 Year | 1-5 Years | Within 1 Year | 1-5 Years |
| Non-Cancellable Lease payable | 44.26 | 5.95 | 57.14 | 50.21 |

The Company is obligated under cancellable and non-cancellable leases for office premises, warehouses, etc. total rental expense under operating lease for the year ended Mar 31, 2024 amounted to Rs. 134.43 Lakhs (For the year ended Mar 31, 2023: Rs. 43.00 Lakhs) (Refer Note 31).

### Note No. 5 Intangible assets

| Carrying Amount | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Intangible asset | | |
| Computer Software | 43.27 | 63.69 |

| Particulars | Computer Software |
|---|---|
| **Cost or Deemed Cost** | |
| **As at Apr 1, 2022** | **201.35** |
| Additions | - |

(All amounts are in ₹ Lakhs)

| Particulars | Computer Software |
|---|---|
| **As at Mar 31, 2023** | **201.35** |
| Additions | - |
| **As at Mar 31, 2024** | **201.35** |
| Amortisation and Impairment | |
| **As at Apr 1, 2022** | **116.49** |
| Amortisation charge for the year | 21.17 |
| **As at Mar 31, 2023** | **137.66** |
| Amortisation charge for the year | 20.44 |
| **As at Mar 31, 2024** | **158.10** |
| **Carrying Amount** | |
| **As at Mar 31, 2023** | **63.69** |
| **As at Mar 31, 2024** | **43.27** |

## Note No. 6 Non - current Investments

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Investments in Equity instruments (unquoted) (fully paidup) | | |
| Investments in subsidiary (at cost) | 13.50 | 5.50 |
| 135,000 (As at Mar 31, 2023 - 55,000 Equity shares) shares of Rs.10/- each fully paid up in Waterbase Frozen Foods Private Limited* | | |
| | **13.50** | **5.50** |

**Notes:**

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Aggregate amount of quoted investments | - | - |
| Aggregate amount of unquoted investments | 13.50 | 5.50 |
| Aggregate amount of impairment in value of investment | - | - |

*Formerly Known as Saatatya Vistaar Oorja Bengaluru Private Limited

Note: During the year ended Mar 31, 2024, advances given to the subsidiary company aggregating to Rs. 8.00 Lakhs has been converted into equity shares of the Subsidary Company.

## Note No. 7 Other financial assets

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **A. Non Current** | | |
| Security deposits | 4.97 | 4.97 |
| Earmarked balances: | | |
| Deposits with original maturity of more than twelve months (Refer note (a) below) | 1.00 | 1.00 |
| **Total** | **5.97** | **5.97** |
| **B. Current** | | |
| Security deposits | 18.87 | 25.58 |
| Interest accrued on deposits | 66.75 | 29.37 |
| Deposits with Original maturity more than 12 months but maturing within 12 months from the Balance Sheet date | 15.00 | 427.20 |
| **Total** | **100.62** | **482.15** |

**Note:**

a) Fixed Deposit of Rs.1.00 Lakh (As at Mar 31, 2023 : Rs.1.00 Lakhs) is deposited against locker rent.

## NOTES TO STANDALONE FINANCIAL STATEMENT

(All amounts are in ₹ Lakhs)

**Note No. 8** **Deferred tax assets / liabilities (net)**

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Deferred tax assets | 969.88 | 730.16 |
| Deferred tax liabilities | (304.69) | (335.82) |
| **Total** | **665.19** | **394.34** |

| Particulars | As at April 1, 2023 | Recognised in Statement of Profit and Loss | Recognised in Other Comprehensive Income | As at March 31, 2024 |
|---|---|---|---|---|
| **A.Deferred tax assets** | | | | |
| Allowances for doubtful debts | 455.64 | 32.49 | - | 488.13 |
| Allowances for doubtful advances | 36.67 | (7.57) | - | 29.10 |
| Provision for gratuity and compensated absences | 74.83 | 18.06 | (9.76) | 83.13 |
| Provision for Inventory | 10.43 | (1.46) | - | 8.97 |
| Expenditures falling under section 43B of Income Tax Act, 1961 | 15.11 | 1.25 | - | 16.36 |
| Difference between Lease liabilities and Right of Use Assets | 2.74 | (0.86) | - | 1.88 |
| Carry forward losses -unabosrbed depreciation and business loss | 134.74 | 207.57 | - | 342.31 |
| | **730.16** | **249.48** | **(9.76)** | **969.88** |
| **B. Deferred tax liabilities** | | | | |
| Difference between book balance and tax balance of property, plant and equipment | 311.36 | (31.13) | - | 280.23 |
| Others | 24.46 | - | - | 24.46 |
| | **335.82** | **(31.13)** | **-** | **304.69** |
| **Net deferred tax assets / (liabilities) (A-B)** | **394.34** | **280.61** | **(9.76)** | **665.19** |

| Particulars | As at April 1, 2022 | Recognised in Statement of Profit and Loss | Recognised in Other Comprehensive Income | As at March 31, 2023 |
|---|---|---|---|---|
| **A.Deferred tax assets** | | | | |
| Allowances for doubtful debts | 455.64 | - | - | 455.64 |
| Allowances for doubtful advances | 36.67 | - | - | 36.67 |
| Provision for gratuity and compensated absences | 66.60 | 14.41 | (6.18) | 74.83 |
| Provision for Inventory | 11.25 | (0.82) | - | 10.43 |
| Expenditures falling under section 43B of Income Tax Act, 1961 | 15.11 | - | - | 15.11 |
| Difference between Lease liabilities and Right of Use Assets | 2.43 | 0.31 | - | 2.74 |
| Carry forward losses -unabosrbed depreciation | 77.52 | 57.22 | - | 134.74 |
| | **665.22** | **71.12** | **(6.18)** | **730.16** |
| **B. Deferred tax liabilities** | | | | |
| Difference between book balance and tax balance of property, plant and equipment | 324.92 | (13.56) | - | 311.36 |
| Others | 29.06 | (4.60) | - | 24.46 |
| | **353.98** | **(18.16)** | **-** | **335.82** |
| **Net deferred tax assets / (liabilities) (A-B)** | **311.24** | **89.28** | **(6.18)** | **394.34** |

## NOTES TO STANDALONE FINANCIAL STATEMENT

(All amounts are in ₹ Lakhs)

**Note No. 9 Non-current tax asset (net)**

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Advance income tax (including tax deducted at source) | 187.48 | 326.25 |
| [Net of Provision Rs.6,996.41 Lakhs, as at Mar 31, 2023: Rs. 6,996.41 Lakhs] | | |
| **Total** | **187.48** | **326.25** |

**Note No. 10 Other assets**

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **A. Non Current (Unsecured)** | | |
| (i) Capital Advances | 181.84 | 25.18 |
| (ii) Advances Other than capital advances: | | |
| (a) Balance lying with government authorities | 126.03 | 87.24 |
| Less: Provision for doubtful deposits | (50.24) | (50.24) |
| | 75.79 | 37.00 |
| (b) Security Deposits with others | 157.56 | 157.11 |
| Less: Provision for doubtful deposits | (2.96) | (2.96) |
| | 154.60 | 154.15 |
| (iii) Prepaid expenses | 20.69 | 10.71 |
| **Total** | **432.92** | **227.04** |
| **B. Current (Unsecured)** | | |
| (i) Advances Other than capital advances: | | |
| (a) Advances to related parties (Refer Note below) | 0.12 | 5.08 |
| (b) Advance to suppliers | 173.44 | 253.15 |
| Less: Provision for doubtful advances | (62.39) | (92.47) |
| | **111.05** | **160.68** |
| (ii) Balance lying with Government Authorities | 880.99 | 203.61 |
| (iii) Prepaid expenses | 223.38 | 134.88 |
| (iv) Employee advances | 10.78 | 14.27 |
| **Total** | **1,226.32** | **518.52** |

**Note:**

Advance to Suppliers includes advance given to related parties as mentioned below:

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Waterbase Frozen Foods Private Limited* | - | 3.64 |
| Handy Waterbase India Private Limited | - | 1.33 |
| TWL Employees Gratuity Trust (KMP having significant influence) | 0.12 | 0.12 |

*Formerly Known as Saatatya Vistaar Oorja Bengaluru Private Limited

**Note:**

b. Balance with Governement authorities breakup as mentioned below•

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **Non Current:** | | |
| **Deposits for-** | | |
| Goods and Service tax Receivable (amount paid under protest is Rs. 37.46 Lakhs (As at Mar 31, 2023: Rs. Nil)) | 37.46 | - |
| CENVAT & Sales Tax Receivables [amount paid under protest is Rs. 37.84 Lakhs (As at Mar 31, 2023: Rs. 37.84 Lakhs)] | 37.84 | 37.84 |
| Customs duty Receivables | 18.66 | 18.66 |
| Others | 32.07 | 30.74 |
| **Total** | **126.03** | **87.24** |

## NOTES TO STANDALONE FINANCIAL STATEMENT

(All amounts are in ₹ Lakhs)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **Current:** | | |
| Goods and Service Tax input credit | 448.40 | 132.86 |
| Export Incentives Receivable | 432.59 | 70.75 |
| **Total** | **880.99** | **203.61** |

### Note No. 11 Biological assets

| Particulars | Fair Value Input | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|---|
| Brood Stock | Level 1 | - | 18.25 |
| **Total** | | **-** | **18.25** |

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| As at Opening date | 18.25 | 17.71 |
| Increase due to purchases / production / physical change | 16.23 | 425.54 |
| Decrease due to harvest / physical change/Sale | (18.11) | (425.00) |
| Decrease due to Internal Consumption | (16.37) | - |
| Net change in the fair value less estimated cost to sell | - | - |
| **Total** | **-** | **18.25** |

**Note : Details and fair valuation of Biological Assets**

Biological assets of the Company are in the nature of Consumable Biological Assets. It is bifurcated into Brood Stock, i.e. the Parents and harvested species which undergo biological transformation under different stages as Nauplii, Zoea, Mysis and Post Larvae. The Company sells the biological assets at Nauplii and Post Larvae Stages. The Brood Stock has a maximum useful life of 5 months for laying eggs. and thereafter these are scrapped.

Biological Assets is measured at fair value less costs to sell, with any change recognised in the Statement of Profit and Loss. Costs to sell are the incremental costs directly attributable to the disposal of biological asset, excluding finance costs and income taxes. Costs to sell include all costs that would be necessary to sell the assets, including direct selling costs. The transmission phase from Nauplii to Zoea and Mysis are not considered as significant transformation of biological asset and hence Zoea and Mysis are not valued as per Ind AS - 41, ""Agriculture"".

The fair value of biological assets is based on its market condition as on the reporting date. The quoted price in the market is the appropriate basis for determining the fair value of these biological assets.

In the event that market determined prices or values are not available for biological assets in its present condition we use the present value of the expected net cashflows from the asset discounted at a current market determined rate in determining fair value.

**Fair Value Inputs are summarised as follows:**

**Level 1 Price Inputs –** are quoted prices (unadjusted) in active markets for identical assets or liabilities that can be accessed at the measurement date.

**Level 2 Price Inputs –** are 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 Price Inputs –** are inputs for the asset or liability that are not based on observable market data (unobservable inputs).

### Note No. 12 Inventories

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| (Lower of Cost and Net Realisable Value ) | | |
| Raw materials | 2,179.36 | 2,999.81 |
| Work-in-progress | 458.74 | 384.27 |
| Finished goods | 4,950.34 | 3,509.41 |
| Stock-in-trade (Traded goods) | 147.80 | 74.77 |
| Stores and spares | 554.41 | 541.40 |
| **Total** | **8,290.65** | **7,509.66** |
| Stock-in-transit:included in : | | |
| Finished goods | 1,186.93 | 1,150.37 |

# NOTES TO STANDALONE FINANCIAL STATEMENT

(All amounts are in ₹ Lakhs)

**Notes:**

(i) The cost of inventories recognised as an expense during the year is Rs. 28,222.33 Lakhs, ( As at Mar 31, 2023: Rs. 24,739.46 Lakhs)

(ii) The Inventory is net of provisions of Rs.47.79 Lakhs

## Note No. 13 Trade receivables

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| (a) Secured, considered good | 2,174.26 | 3,692.03 |
| (b) Unsecured, considered good | 2,210.51 | 5,284.42 |
| Less: Allowance for Expected Credit Loss | (129.64) | (313.56) |
| (c) Credit impaired | 1,809.84 | 1,496.84 |
| Less: Allowance for Expected Credit Loss | (1,809.84) | (1,496.84) |
| **Total** | **4,255.13** | **8,662.89** |

(i) No trade receivable are due from directors or other officers of the Company either severally or jointly with any other person. While the trade receivable due from firms or private companies respectively in which any director is a partner, a director or a member is Rs. Nil (As at Mar 31, 2023 - Rs. Nil).

(ii) There are 4 major customers having significant balances, i.e. exceeding 5% of the total trade receivables as at Mar 31, 2024 and 3 major customers having significant balances as at Mar 31, 2023 amounting to Rs. 1,758.45 Lakhs and Rs. 3,195.63 Lakhs respectively.

(iii) Refer Note 41 for information about credit risk and market risk of trade receivables.

(iv) Trade receivables are generally on terms of 0 to 120 days based upon the credit worthiness of the customers.

(v) **Ageing schedule of trade receivables as on March 31, 2024 oustanding from due date of payment is as follows -**

| Particulars | Outstanding for following periods from due date of Payments | | | | | | |
|---|---|---|---|---|---|---|---|
| | Not due | Less than 6 months | 6 months - 1 year | 1- 2 years | 2-3 years | More than 3 years | Total |
| **i) Undisputed Trade Receivables** | | | | | | | |
| Considered good - Secured | 91.06 | 180.98 | 3.74 | - | - | - | 275.78 |
| Considered good - Unsecured | 1,407.48 | 672.64 | 120.85 | 8.43 | 0.31 | 0.80 | 2,210.51 |
| **ii) Disputed Trade Receivables** | | | | | | | |
| Considered good - Secured | - | 0.01 | 41.47 | 503.60 | 92.12 | 1,261.28 | 1,898.48 |
| Considered doubtful - Unsecured | - | 0.08 | 65.65 | 231.67 | 27.15 | 1,485.29 | 1,809.84 |
| **Total Trade receivables** | **1,498.54** | **853.71** | **231.71** | **743.70** | **119.58** | **2,747.37** | **6,194.61** |
| Less: Allowance for Expected Credit Loss | | | | | | | (1,939.48) |
| **Net Trade receivables** | **1,498.54** | **853.71** | **231.71** | **743.70** | **119.58** | **2,747.37** | **4,255.13** |

**Ageing schedule of trade receivables as on March 31, 2023 oustanding from due date of payment is as follows -**

| Particulars | Outstanding for following periods from due date of Payments | | | | | | |
|---|---|---|---|---|---|---|---|
| | Not due | Less than 6 months | 6 months - 1 year | 1- 2 years | 2-3 years | More than 3 years | Total |
| **i) Undisputed Trade Receivables** | | | | | | | |
| Considered good - Secured | 103.66 | 1,695.13 | 260.39 | 99.59 | 3.64 | - | 2,162.41 |
| Considered good - Unsecured | 2,122.87 | 3,006.94 | 111.36 | 42.44 | 0.81 | - | 5,284.42 |
| **ii) Disputed Trade Receivables** | | | | | | | |
| Considered good - Secured | - | - | - | 0.08 | 0.31 | 1,529.23 | 1,529.62 |
| Considered doubtful - Unsecured | - | - | 0.02 | 8.50 | 27.08 | 1,461.24 | 1,496.84 |
| **Total Trade receivables** | **2,226.53** | **4,702.07** | **371.77** | **150.61** | **31.84** | **2,990.47** | **10,473.29** |
| Less: Allowance for Expected Credit Loss | | | | | | | (1,810.40) |
| **Net Trade receivables** | **2,226.53** | **4,702.07** | **371.77** | **150.61** | **31.84** | **2,990.47** | **8,662.89** |

## NOTES TO STANDALONE FINANCIAL STATEMENT

(All amounts are in ₹ Lakhs)

(vi) Expected credit loss model

The Company considers the profile of each customers and the credit worthiness in determining the credit losses of Trade receivabes. The provision has been made based upon expected credit loss on the basis of past trend and also based on the provision policy framed by the management after adjusting the market value of the security taken from the customers in the form of mortgage property and bank guarantee.

(vii) Movement in the Allowances for expected credit loss:

| Particulars | For the Year ended March 31, 2024 | For the Year ended March 31, 2023 |
|---|---|---|
| Balance at beginning of the year | 1,810.40 | 1,810.40 |
| Movement in expected credit loss allowance on trade receivables | | |
| Add: Allowance for Expected Credit Loss | 129.08 | - |
| **Balance at end of the year** | **1,939.48** | **1,810.40** |

**Note No. 14 Cash and cash equivalents**

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Cash on hand | 2.72 | 2.94 |
| **Balances with banks:** | | |
| In current accounts | 31.99 | 35.77 |
| Deposits with original maturity of less than three months | - | 780.00 |
| **Total** | **34.71** | **818.71** |

**14A For Statement of Cash flow, cash and cash equivalents comprise of the following:**

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Cash in hand | 2.72 | 2.94 |
| Balances with banks: | | |
| In current accounts | 31.99 | 35.77 |
| Deposits with original maturity of less than three months | - | 780.00 |
| Less: Cash Credit Facilities | 343.11 | 427.06 |
| **Total** | **(308.40)** | **(391.65)** |

**Note No. 15 Other balances with bank**

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Earmarked balances: | | |
| Unclaimed dividend account | 71.43 | 71.70 |
| Balances with banks: | | |
| Deposits with original maturity of more than 3 months but less than 12 months (Refer note (a) below) | 1,590.77 | 1,678.57 |
| **Total** | **1,662.20** | **1,750.27** |

**Notes:**

(a) Fixed Deposit of Rs. 566.57 Lakhs (As at Mar 31, 2023: Rs. 466.57 Lakhs are pledged against bank guarantees [Refer Note 34(b)]

**Note No. 16 Equity Share capital**

a.

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **Authorised :** | | |
| 6,00,00,000 equity shares of Rs.10/- each | 6,000.00 | 6,000.00 |
| (March 31, 2023 : 6,00,00,000 equity shares of Rs.10/- each) | | |
| 5,00,000 Preference shares of Rs.10/- each | 500.00 | 500.00 |

## NOTES TO STANDALONE FINANCIAL STATEMENT

(All amounts are in ₹ Lakhs)

| a. Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| (Mar 31, 2023 : 5,00,000 Preference shares of Rs.10/- each) | | |
| **Issued :** | | |
| 4,14,26,779 equity shares of Rs.10 each | 4,142.68 | 4,142.68 |
| (March 31, 2023: 4,14,26,779 equity shares of Rs.10/- each) | | |
| **Subscribed and fully paid up:** | | |
| 4,14,26,779 equity shares of Rs.10 each | 4,142.68 | 4,142.68 |
| (March 31, 2023: 4,14,26,779 equity shares of Rs.10/- each) | | |

**Terms and rights attached to equity shares:**

The Company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. 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 ensuing Annual General Meeting, except in the case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholder.

**b. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year**

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|---|---|---|---|---|
| | **Number of shares** | **Amount** | Number of shares | Amount |
| **Equity shares with Voting rights** | | | | |
| At the beginning of the year | 41,426,779 | 4,142.68 | 41,426,779 | 4,142.68 |
| Movement during the year | - | - | - | - |
| At the end of the year | 41,426,779 | 4,142.68 | 41,426,779 | 4,142.68 |

**c. Shares held by holding company**

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|---|---|---|---|---|
| | **Number of shares** | **Amount** | **Number of shares** | **Amount** |
| **Equity shares of Rs.10 each with Voting rights** | | | | |
| Aquavista Enterprises Private Limited (formerly known as Nav Srijit Shakthi Telangana Private Limited) | 21,934,545 | 2,193.45 | 21,934,545 | 2,193.45 |

**d. Details of shareholders holding more than 5% shares in the company**

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|---|---|---|---|---|
| | **Number of shares** | **% of holding in that class of shares** | **Number of shares** | **% of holding in that class of shares** |
| **Equity shares of Rs.10 each with Voting rights** | | | | |
| Aquavista Enterprises Private Limited (formerly known as Nav Srijit Shakthi Telangana Private Limited) | 21,934,545 | 52.95% | 21,934,545 | 52.95% |
| Karam Chand Thapar & Bros. (Coal Sales) Limited | 3,241,719 | 7.83% | 3,241,719 | 7.83% |
| KCT Financial & Management Services Private Limited | 3,025,861 | 7.30% | 3,025,861 | 7.30% |

## NOTES TO STANDALONE FINANCIAL STATEMENT

(All amounts are in ₹ Lakhs)

**e. Aggregate Number of Shares allotted as fully paid-up pursuant to a Scheme of Amalgamation without payment being received in cash during the five years immediately preceding the Balance Sheet date**

| Particulars | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2020 |
|---|---|---|---|---|---|
| Issued, Subscribed and Fully Paid-Up | | | | | |
| Equity shares of Rs. 10 each with Voting rights | | | | | |
| Number of Shares | 2,823,529 | 2,823,529 | 2,823,529 | 2,823,529 | 2,823,529 |

**f. Details of shares held by promoters and Promoters Group at the end of the year**

**Disclosure of shares held by promoters and Promoters Group as at Mar 31, 2024 and Mar 31, 2023 is as follows -**

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | | % change during the year |
|---|---|---|---|---|---|
| | No.of Shares | % of total shares | No.of Shares | % of total shares | |
| **Equity shares of Rs.10 each with Voting rights** | | | | | |
| Vikramaditya Mohan Thapar | 53,750 | 0.13% | 53,750 | 0.13% | 0.00% |
| Jyoti Thapar | 73,500 | 0.18% | 73,500 | 0.18% | 0.00% |
| Varun Aditya Thapar | 169,800 | 0.41% | 169,800 | 0.41% | 0.00% |
| Nitasha Thapar | 51,875 | 0.13% | 51,875 | 0.13% | 0.00% |
| Ayesha Thapar | 51,875 | 0.13% | 51,875 | 0.13% | 0.00% |
| Aquavista Enterprises Private Limited (formerly known as Nav Srijit Shakthi Telangana Private Limited) | 21,934,545 | 52.95% | 21,934,545 | 52.95% | 0.00% |
| Karam Chand Thapar & Bros. (Coal Sales) Limited | 3,241,719 | 7.83% | 3,241,719 | 7.83% | 0.00% |
| KCT Financial & Management Services Private Limited | 3,025,861 | 7.30% | 3,025,861 | 7.30% | 0.00% |
| **Total** | **28,602,925** | **69.04%** | **28,602,925** | **69.04%** | **0.00%** |

**Note No. 17 Other Equity**

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Securities premium | 1,473.49 | 1,473.49 |
| Capital reserve | 1,026.10 | 1,026.10 |
| General reserve | 1,315.07 | 1,315.07 |
| Retained earnings | 9,308.42 | 10,323.03 |
| **Total** | **13,123.08** | **14,137.69** |

**a. Securities premium**

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Opening Balance | 1,473.49 | 1,473.49 |
| Movement during the year | - | - |
| **Closing Balance** | **1,473.49** | **1,473.49** |

**b. Capital reserve**

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Opening Balance | 1,026.10 | 1,026.10 |
| Movement during the year | - | - |
| **Closing Balance** | **1,026.10** | **1,026.10** |

(All amounts are in ₹ Lakhs)

**c. General reserve**

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Opening Balance | 1,315.07 | 1,315.07 |
| Movement during the year | - | - |
| **Closing Balance** | **1,315.07** | **1,315.07** |

**d. Retained earnings**

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Opening Balance | 10,323.03 | 10,651.47 |
| Loss for the year | (1,043.61) | (346.80) |
| Other Comprehensive Income for the year (net of tax) | 29.00 | 18.36 |
| **Closing Balance** | **9,308.42** | **10,323.03** |

**Notes:**

**(i) Securities premium account:**

Securities premium is used to record premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Indian Companies Act, 2013 (the "Companies Act").

**(ii) Capital reserve**

Capital reserve represents a resource created by accumulated capital surplus and remain invested in the business for set off against any capital expenditure. This will not be distributed as dividends. The Company recognizes profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments to capital reserve.

**(iii) General reserve**

Under the erstwhile Companies Act 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, the requirement to mandatorily transfer a specified percentage of net profit to general reserve has been withdrawn.

**(iv) Retained earnings**

Retained earnings comprises of the Company's undistributed earnings after taxes. Such appropriations are free in nature.

## Note No. 18 Provisions

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **A. Non-current** | | |
| Provision for employee benefits: | | |
| Gratuity [Refer note 40] | 187.71 | 164.99 |
| Compensated absences [Refer note 40] | 119.81 | 110.78 |
| **Total** | **307.52** | **275.77** |
| **B. Current** | | |
| Provision for employee benefits: | | |
| Compensated absences [Refer note 40] | 22.83 | 21.59 |
| Provision for Statutory authorities : | | |
| Customs duty [Refer note below] | 6.66 | 17.34 |
| **Total** | **29.49** | **38.93** |

**Note:**

Represents Customs duty provision made for expected demand to be received from the department for short assessment and short payment of custom duty on imports made by the Company. Outflow of the same is expected within next 12 months.

## NOTES TO STANDALONE FINANCIAL STATEMENT

(All amounts are in ₹ Lakhs)

Movement of provision for Custom Duty is as follows:

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Opening Balance | 17.34 | 17.34 |
| Add: Fresh provision | - | - |
| Less: Utilisation | 10.68 | - |
| **Closing Balance** | **6.66** | **17.34** |

### Note No. 19 Current Borrowings

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **Loans repayable on demand (Secured)** | | |
| From banks | 2,593.11 | 3,769.87 |
| **Total** | **2,593.11** | **3,769.87** |

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **Current** | | |
| From Banks | | |
| Cash Credit Facilities | 343.11 | 427.06 |
| Working capital demand loan | 2,250.00 | 2,985.00 |
| Pre-Shipment Credit In Foreign Currency | - | 357.81 |
| **Total** | **2,593.11** | **3,769.87** |

**Nature of security provided:**

Borrowings are secured by hypothecation of present and future stock of raw materials, work in progress, finished goods, stores and spares and debtors. Equitable mortgage over the factory land and building of the Company at Nellore and charge over property, plant and equipment of the Company, excluding vehicles.

### Note No. 20 Trade payables

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Trade payables to micro enterprises and small enterprises | 230.05 | 328.44 |
| **Sub Total (A)** | **230.05** | **328.44** |
| Trade payables other than micro enterprises and small enterprises | | |
| Related Parties | 58.34 | 106.82 |
| Others | 2,876.28 | 4,121.20 |
| **Sub Total (B)** | **2,934.62** | **4,228.02** |
| **Total (A + B)** | **3,164.67** | **4,556.46** |

**Ageing schedule of trade payables as on Mar 31, 2024 outstanding from due date of payments is as follows -**

| Particulars | Outstanding for following periods from due date of Payments | | | | | |
|---|---|---|---|---|---|---|
| | Not due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| i) MSME | 229.79 | 0.26 | - | - | - | 230.05 |
| ii) Others | 1,727.64 | 1,143.15 | 23.25 | 10.40 | 30.18 | 2,934.62 |
| iii) Disputed dues - MSME | - | - | - | - | - | - |
| iv) Disputed dues - Others | - | - | - | - | - | - |
| | **1,957.43** | **1,143.41** | **23.25** | **10.40** | **30.18** | **3,164.67** |

# NOTES TO STANDALONE FINANCIAL STATEMENT

(All amounts are in ₹ Lakhs)

**Ageing schedule of trade payables as on Mar 31, 2023 outstanding from due date of payments is as follows -**

| Particulars | Outstanding for following periods from due date of Payments | | | | | |
|---|---|---|---|---|---|---|
| | **Not due** | **Less than 1 year** | **1-2 years** | **2-3 years** | **More than 3 years** | **Total** |
| **i) MSME** | 328.44 | - | - | - | - | 328.44 |
| ii) Others | 2,341.58 | 1,841.25 | 14.93 | 4.97 | 25.29 | 4,228.02 |
| iii) Disputed dues - MSME | - | - | - | - | - | - |
| iv) Disputed dues - Others | - | - | - | - | - | - |
| | **2,670.02** | **1,841.25** | **14.93** | **4.97** | **25.29** | **4,556.46** |

**Notes:**

(i) Refer Note 41 for information on Liquidity risk and market risk of Trade Payables.

(ii) Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the auditors. (Refer Note 37)

## Note No. 21 Other financial liabilities

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **Current** | | |
| Liabilities for Discount & schemes / Others | 298.25 | 765.86 |
| Payable to employees | 144.57 | 402.31 |
| Unclaimed dividend # | 71.43 | 71.70 |
| Payables on purchase of Property Plant and Equipments | 114.89 | 153.99 |
| **Total** | **629.14** | **1,393.86** |

# During the year ended Mar 31, 2024, the Company was not required to transfer any unclaimed dividend to the Investor Education and Protection Fund under Section 125 of The Companies Act, 2013 (fo rthe year ended Mar 31, 2023: Rs. 8.73 Lakhs was transferred to Investor Education and Protection Fund).

## Note No. 22 Other liabilities

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **Current** | | |
| Statutory remittances | 75.85 | 85.45 |
| Advances from customers | 117.39 | 154.81 |
| Others | 26.28 | 21.00 |
| **Total** | **219.52** | **261.26** |

## Note No. 23 Revenue from operations

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **Revenue from operations** | | |
| (a) Manufactured | 32,106.40 | 28,907.10 |
| (b) Traded | 987.54 | 1,193.63 |
| **Revenue from services** | | |
| (a) Rental income | - | 0.42 |
| **Other operating revenues** | | |
| (a) Export incentives | 750.37 | 153.92 |
| (b) Scrap sales | 75.62 | 103.39 |
| (c) Others | 5.38 | 49.37 |
| **Total** | **33,925.31** | **30,407.83** |

* The entire revenue is being recorded at a point in time.

## NOTES TO STANDALONE FINANCIAL STATEMENT

(All amounts are in ₹ Lakhs)

**A. Revenue from Operations disaggregated on the basis of geographical region and product lines is presented below:**

**For the year ended March 31, 2024**

| Particulars | India | Outside India | Total |
|---|---|---|---|
| Manufactured | 19,365.72 | 12,740.68 | 32,106.40 |
| Traded | 987.54 | - | 987.54 |
| **Total** | **20,353.26** | **12,740.68** | **33,093.94** |

**For the year ended Mar 31, 2023**

| Particulars | India | Outside India | Total |
|---|---|---|---|
| Manufactured | 25,946.44 | 2,960.66 | 28,907.10 |
| Traded | 1,193.63 | - | 1,193.63 |
| **Total** | **27,140.07** | **2,960.66** | **30,100.73** |

**B Reconciliation of gross revenue with the revenue from contracts with customers:**

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Gross Revenue | 35,209.48 | 32,061.74 |
| Less: Incentives and Discounts | 1,284.17 | 1,653.91 |
| **Net revenue recognised from contracts with customers** | **33,925.31** | **30,407.83** |

**C The Company has recognised the following revenue-related contract liabilities and receivables from contract with customers-**

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Contract liabilities - Advance from customers [Refer Note 22] | 117.39 | 154.81 |

**The change in Contract Liabilities are as follows:**

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Contract liabilities - Opening | 154.81 | 107.25 |
| Add: Additions during the year, excluding amounts recognised as revenue during the year | 92.34 | 144.48 |
| Less: Revenue recognised in the current year which was included in Contract Liabilities | (129.76) | (96.92) |
| **Contract Liabilities - Closing** | **117.39** | **154.81** |

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Trade Receivables-Gross | 6,194.61 | 10,473.29 |
| Less: Allowance for Expected Credit Loss | 1,939.48 | 1,810.40 |
| **Total** | **4,255.13** | **8,662.89** |

## NOTES TO STANDALONE FINANCIAL STATEMENT

(All amounts are in ₹ Lakhs)

**Note No. 24 Other Income**

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| **Interest Income** | | |
| (a) On deposits carried at amortised cost | 148.53 | 138.60 |
| (b) On Income tax refund | 72.51 | - |
| (b) Others | 43.13 | 6.32 |
| Net profit on sale of property plant and equipment | - | 54.11 |
| Liability no longer required written back | 36.98 | 5.51 |
| Recovery of bad debts earlier written off | 3.95 | 25.50 |
| Profit on Sale of Mutual fund | - | 20.24 |
| Others | 3.11 | 14.16 |
| **Total** | **308.21** | **264.44** |

**Note No. 25 Cost of materials consumed**

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Opening stock | 2,999.81 | 3,770.20 |
| Add: Purchases | 25,845.55 | 23,847.90 |
| | 28,845.36 | 27,618.10 |
| Less: Closing stock | 2,179.36 | 2,999.81 |
| **Total consumption of raw materials** | **26,666.00** | **24,618.29** |

**Details of materials consumed**

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Soya | 2,810.06 | 3,731.74 |
| Fish meal | 3,343.75 | 4,783.40 |
| Raw and processed shrimps | 11,611.08 | 4,679.75 |
| Other materials | 8,901.11 | 11,423.40 |
| **Total** | **26,666.00** | **24,618.29** |

**Note No. 26 Purchase of stock-in-trade**

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Shrimp feeds, processed crabs and others | 446.68 | 386.24 |
| **Total** | **446.68** | **386.24** |

**Details of Purchase of stock-in-trade**

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| BayLife VC-9 (10kg) | 140.45 | 151.48 |
| Baylife Baymin | 104.22 | 114.07 |
| Other materials | 202.01 | 120.69 |
| **Total** | **446.68** | **386.24** |

**Note No. 27 Changes in inventories of finished goods, work in progress, stock in trade and biological assets**

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| **Inventories at the end of the year :** | | |
| (a) Finished goods | 4,950.34 | 3,509.41 |
| (b) Work-in-progress | 458.74 | 384.27 |
| (c) Stock-in-trade | 147.80 | 74.77 |
| (d) Biological assets | - | 18.25 |

## NOTES TO STANDALONE FINANCIAL STATEMENT

(All amounts are in ₹ Lakhs)

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| | **5,556.88** | **3,986.70** |
| **Inventories at the beginning of the year :** | | |
| (a) Finished goods | 3,509.41 | 1,110.20 |
| (b) Work-in-progress | 384.27 | 298.74 |
| (c) Stock-in-trade | 74.77 | 115.41 |
| (d) Biological assets | 18.25 | 17.71 |
| | **3,986.70** | **1,542.06** |
| **Increase in Inventories** | **(1,570.18)** | **(2,444.64)** |

### Note No. 28 Employee benefits expense

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Salaries, wages and bonus | 2,311.61 | 2,410.02 |
| Contribution to provident, gratuity and other funds [Refer note 40] | 173.29 | 163.00 |
| Staff welfare expenses (refer note 44) | 173.07 | 240.96 |
| **Total** | **2,657.97** | **2,813.98** |

### Note No. 29 Finance costs

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Interest on borrowings | 189.10 | 134.77 |
| Interest on others | 11.92 | - |
| Other borrowing costs | 92.85 | 64.97 |
| Interest on Lease liabilities (Refer note 4) | 6.75 | 11.22 |
| **Total** | **300.62** | **210.96** |

### Note No. 30 Depreciation and amortization expenses

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Depreciation on Property, plant and equipment (Refer note 3(a)) | 884.36 | 822.75 |
| Amortisation on Right to Use Asset (Refer note 4) | 46.93 | 50.61 |
| Amortization on Intangible assets (Refer note 5) | 20.44 | 21.17 |
| **Total** | **951.73** | **894.53** |

### Note No. 31 Other expenses

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Consumption of stores and spares | 506.79 | 507.33 |
| Power and fuel | 851.35 | 692.66 |
| Rent (Refer note 4) | 134.43 | 43.00 |
| Processing charges | 247.84 | 2.22 |
| Export Commission | 214.97 | 40.61 |
| Repairs and maintenance: | | |
| Plant and machinery | 46.11 | 44.45 |
| Buildings | 22.03 | 9.13 |
| Others | 171.41 | 191.05 |
| Vehicle maintenance | 21.02 | 15.94 |
| Contract Labour | 964.61 | 673.09 |
| Security charges | 92.15 | 83.99 |
| Insurance | 64.05 | 63.38 |
| Rates and taxes | 60.14 | 35.18 |
| Freight outward | 640.20 | 317.96 |
| Selling expenses | 86.83 | 184.93 |

# NOTES TO STANDALONE FINANCIAL STATEMENT

(All amounts are in ₹ Lakhs)

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Payment discount | 741.08 | 612.15 |
| Professional charges | 255.37 | 363.87 |
| Secretarial expenses | 27.29 | 18.30 |
| Travelling expenses | 399.17 | 358.70 |
| Business communication expenses | 27.67 | 27.07 |
| Auditors' remuneration (excluding indirect tax): | | |
| (i) As auditors - audit fees | 13.00 | 13.00 |
| (ii) For other services | | |
| (a) Tax audit fees | 1.50 | 1.50 |
| (b) Limited Review and Other Services | 8.00 | 8.00 |
| (iii) For reimbursement of expenses | 0.93 | 0.06 |
| Corporate social responsibility expenses [Refer note 36] | 6.18 | 29.25 |
| Directors' sitting fees | 10.50 | 10.50 |
| Net loss on foreign currency transactions | 10.82 | 24.65 |
| Property, plant and equipment written off | 0.49 | 6.53 |
| Advances written off | 30.08 | - |
| (Reversal of provision) / Provisions for doubtful advances | (30.08) | - |
| Allowance for Expected Credit Loss | 129.08 | - |
| Advertisement and Business Promotion | 84.98 | 118.51 |
| Miscellaneous expenses | 264.93 | 131.98 |
| **Total** | **6,104.92** | **4,628.99** |

## Note No. 32 Tax expenses

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| **32.a.Income tax recognised in Standalone Statement of Profit and Loss** | | |
| **Current tax** | | |
| In respect of current year | - | - |
| | **-** | **-** |
| **32.b.Deferred tax recognised in Standalone Statement of Profit and Loss** | | |
| **Deferred tax** | | |
| In respect of current year | (280.61) | (89.28) |
| **Total** | **(280.61)** | **(89.28)** |

**Note:** Reconciliation of the accounting profit to the income tax expense for the year is summarised below:

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| **(Loss) / Profit before tax** | **(1,324.22)** | **(436.08)** |
| Income tax expense calculated at 25.168% | (333.30) | (109.75) |
| Effect of expenses that are not deductible in determining taxable profit | 1.55 | 5.99 |
| On account of difference in the carry forward losses based on return filed | 51.14 | 17.27 |
| On account of difference on capital gains taxes | - | (2.79) |
| **Total** | **(280.61)** | **(89.28)** |

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| **32.c. Income tax recognised in other comprehensive income** | | |
| Deferred tax | | |
| Arising on remeasurement gain on defined benefit plans | 9.76 | 6.18 |
| **Total** | **9.76** | **6.18** |

## NOTES TO STANDALONE FINANCIAL STATEMENT

(All amounts are in ₹ Lakhs)

### Note No. 33 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Loss after tax | (1,043.61) | (346.80) |
| Weighted Average Number of Equity Shares for Basis EPS | 4,14,26,779 | 4,14,26,779 |
| Weighted Average Number of Equity Shares for Diluted EPS | 4,14,26,779 | 4,14,26,779 |
| Face Value of Share (Rs.) | 10 | 10 |
| Earnings Per Share - Basic (Rs.) | (2.52) | (0.84) |
| Earnings Per Share - Diluted (Rs.) | (2.52) | (0.84) |

### Note No. 34 Contingent Liabilities

The Company is involved in a number of judicial, appellate and arbitration proceedings (including those described below) concerning matters arising in the course of conduct of the Company's businesses. A summary of claims asserted on the Company in respect of these cases have been summarised below.

**a. Tax contingencies**

Amounts in respect of claims asserted by various revenue authorities on the Company, in respect of taxes, which are in dispute, have been tabulated below:

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Custom duty | 535.36 | 535.36 |
| Excise duty | 57.58 | 57.58 |
| Service tax | 2.99 | 2.99 |
| Sales tax | 15.33 | 15.33 |
| Income tax | 80.96 | 80.96 |
| Goods & Service Tax | 539.72 | - |

**b. Financial Guarantee**

For Local bank guarantee 100% and for Foreign bank guarantee 110% of the guaratee with SBI ,100% of guranatee with Axis bank value is maintained as a fixed deposits with banks, 100% of guarantee with axis bank against limit ,100% of guarantee with YES bank against Limit and 100% of guarantee with UBI bank value is maintained as Fixed Deposit.

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Bank Guarantee to Commissioner of Customs (India), US Customs & Border Protection | 348.27 | 503.84 |

**c.** In respect of the Contingent Liabilities mentioned in Note 34.a and 34.b above pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of cash outflows, if any. In respect of matters mentioned in Note 34.c above, the cash outflows, if any, could generally occur during the validity period of the respective guarantees in the event of default, if any, by the concerned beneficiaries. The Company does not expect any reimbursements in respect of the above contingent liabilities.

(All amounts are in ₹ Lakhs)

## Note No. 35 Commitments

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Estimated amount of contracts remaining to be executed on Capital Account and not provided for [Net of advances Rs.171.28 Lakhs ; as at Mar 31, 2023 Rs. 25.18 Lakhs] | 620.32 | 112.96 |

## Note No. 36 Details of Corporate Social Responsibility expenditure

During the year, the company has spent towards Corporate Social Responsibility as mentioned under section 135 of the Companies Act, 2013 read with relevnt schedule and rules made thereunder. The details of the CSR spend are given below:

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Gross amount required to be spent by the Company during the year | 6.18 | 29.25 |
| Amount spent during the year # | | |
| (i) Construction/acquisition of any assets | - | - |
| (ii) On purposes other than (i) above | 6.18 | 29.25 |
| Reason for shortfall | NA | NA |
| Nature of CSR activities | Promotion of Education | Promotion of Education |

\# spent by KCT Group Trust (KMP having significant influence) towards various schemes of Corporate Social Responsibility (CSR) as prescribed under Section 135 of the Companies Act, 2013.

## Note No. 37 Dues to Micro and Small Enterprises

Based on and to the extend of information received by the company from the suppliers during the year regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the relevant particulars are furnished below for the year ended 2023.

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| (a) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at end of the year | 230.05 | 328.44 |
| (b) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at the end of the year | - | - |
| (c) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year | - | - |
| (d) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year | - | - |
| (e) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year | - | - |
| (f) Interest due and payable towards suppliers registered under MSMED Act, for payments already made | - | - |
| (g) Further interest remaining due and payable for earlier years | - | - |

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management.

## NOTES TO STANDALONE FINANCIAL STATEMENT

(All amounts are in ₹ Lakhs)

### Note No. 38 Segment information

During the year the company has commenced reporting of segment information as per Ind As-108 "Operating Segments". The Identification of operating Segments is based on and consistent with performance assessment and resources allocation by the Chief Operating Decision Maker.

The Company principally engaged in the business of Shrimp Feeds, Processed Shrimp, Others (Shrimp Hatchery & FFD). The financial performance relating to these business segments are evaluated regularly by the Chief Executive Officer (Chief Operating Decision Maker). Sale outside India is exceeded the reportable threshold limit, thus geographical segment information is given as follows -

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| **Revenue from Operations** | | |
| (a) Within India | 20,353.26 | 27,140.07 |
| (b) Outside India | 12,740.68 | 2,960.66 |
| **Total** | **33,093.94** | **30,100.73** |

| Particulars | Shrimp Feeds | | Processed Shrimp | | Others | | Unallocable | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 31-Mar-24 | 31-Mar-23 | 31-Mar-24 | 31-Mar-23 | 31-Mar-24 | 31-Mar-23 | 31-Mar-24 | 31-Mar-23 | 31-Mar-24 | 31-Mar-23 |
| **(A) Revenue** | | | | | | | | | | |
| External Sales | 20,250.54 | 26,996.00 | 13,497.95 | 3,103.10 | 176.82 | 308.73 | - | - | 33,925.31 | 30,407.83 |
| Inter-segment sales | - | - | - | - | - | - | - | - | - | - |
| **Total Revenue** | **20,250.54** | **26,996.00** | **13,497.95** | **3,103.10** | **176.82** | **308.73** | **-** | **-** | **33,925.31** | **30,407.83** |
| **(B) Segment Result** | | | | | | | | | | |
| Operating Profit | (52.17) | 745.49 | (872.80) | (742.64) | (176.90) | (217.01) | 78.27 | (10.97) | (1,023.59) | (225.12) |
| Other Income | 63.29 | 103.85 | 20.84 | - | 0.44 | 0.00 | 223.65 | 160.59 | 308.21 | 264.44 |
| Interest Expense | 9.67 | 11.94 | 35.78 | 10.22 | 0.00 | 0.34 | 255.18 | 188.45 | 300.62 | 210.96 |
| Income Tax | | | | | | | | | | |
| - Current tax | - | - | - | - | - | - | - | - | - | - |
| - Deferred Tax | - | - | - | - | - | - | (280.61) | (89.28) | (280.61) | (89.28) |
| **Net Profit/(Loss)** | **(61.83)** | **733.55** | **(908.58)** | **(752.86)** | **(176.91)** | **(217.35)** | **(176.90)** | **(199.42)** | **(1,324.22)** | **(436.08)** |
| **(C) Other Information** | | | | | | | | | | |
| a. Segment Assets | 11,456.82 | 17,456.44 | 8,228.64 | 5,394.05 | 1,540.34 | 1,665.01 | 3,030.98 | 4,158.97 | 24,256.78 | 28,674.47 |
| b. Segment Liabilities | 3,033.10 | 5,181.30 | 1,073.81 | 1,115.39 | 20.43 | 35.73 | 2,863.68 | 4,061.67 | 6,991.02 | 10,394.10 |
| c. Other Information | | | | | | | | | | |
| i. Capital Expenditure | | | | | | | | | | |
| ii. Depreciation | 624.17 | 610.08 | 191.01 | 144.78 | 86.91 | 90.44 | 49.64 | 49.23 | 951.73 | 894.53 |
| iii. Non Cash Expenditure | | | | | | | | | | |
| **Capital Employed** | **8,423.73** | **12,275.14** | **7,154.83** | **4,278.66** | **1,519.91** | **1,629.27** | **167.30** | **97.30** | **17,265.77** | **18,280.37** |

**Nature of Segment**

i) Shrimp Feed is manufactured & marketed to the farmers, which is used in Aqua culture to grow shrimp.

ii) Processed Shrimps are packed and sold it to the export market customer.

iii) Others includes production and sale of shrimp seeds to aqua farmers & Frozen sea food sold domestically.

**Notes**

1) Unallocable corporate income includes majorly interest income & Unallocable expenditure majorily includes Finance Cost, secretarial cost, Professional charges & Corporate Social Responsibility not allocated to segments. Un-allocable corporate assets comprises majorly bank balances, deposits & deferred tax assets. Un allocated Liabilities comprises majorly borrowings.

2) It is to be noted that all Non-Currents Assets are situated in India.

(All amounts are in ₹ Lakhs)

## Note No. 39 Related Party Disclosures

| S. No. | Name of the Related Party | Relationship |
|---|---|---|
| 1 | Aquavista Enterprises Private Limited* | Holding Company |
| 2 | Waterbase Frozen Foods Private Limited# | Subsidiary Company |
| 3 | Karam Chand Thapar & Bros. (Coal Sales) Limited | Entity under Common Control |
| 4 | KCT Financial & Management Services Private Limited | Entity under Common Control |
| 5 | Avitech Nutrition Private Limited | Entity over which director can exercise Control |
| 6 | Handy Waterbase India Private Limited | Joint Venture of Entity under common Control. |
| 7 | Mr.Vikramaditya Mohan Thapar | Non-Executive Director and Chairman (till August 04, 2023) and<br>Chairman Emiretus from August 05, 2023) |
| 8 | Mr.Varun Aditya Thapar | Non-Executive Director and Chairman from August 05, 2023 |
| 9 | Ms.Nitasha Thapar | Non-Executive Director |
| 10 | Mr.Anil Kumar Bhandari | Non-Executive Independent Director (retired on May 14, 2024) |
| 11 | Mr.Rahul Kapur | Non-Executive Independent Director |
| 12 | Mrs.Shashikala Venkatraman | Non-Executive Independent Director |
| 13 | Mr. Rahul Chandrasingh Mehta | Non-Executive Independent Director (from October 26, 2023) |
| 14 | Mr.Ranjit Mehta | Non-Executive Independent Director (till February 08, 2023) |
| 15 | Mr. Ramakanth V Akula | Chief Executive Officer |
| 16 | Mr. R. Sureshkumar | Chief Financial Officer |
| 17 | Mr.T.B.Srikkanth | Company Secretary & compliance officer (till August 19, 2022) |
| 18 | Mr.A .Bala | Company Secretary & compliance officer (from February 08, 2023) |
| 19 | KCT Group trust | KMP having significant influence |
| 20 | TWL Employees Gratuity Trust | Post-employment benefit plan |

**Transactions during the year**

| Particulars | Name of the Related party | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|---|
| Purchase of Goods | Avitech Nutrition Private Limited | 189.83 | 132.20 |
| | Handy Waterbase India Private Limited | 51.03 | 30.42 |
| Service Provided | Karam Chand Thapar & Bros. (Coal Sales) Limited | 3.05 | 2.07 |
| Service Received | Karam Chand Thapar & Bros. (Coal Sales) Limited | 57.54 | 34.45 |
| | KCT Financial & Management Services Private Limited | - | 8.86 |
| | Handy Waterbase India Private Limited | 2.94 | - |
| Acquisition of Property, Plant and Equipments | KCT Group trust | 71.00 | - |
| Advance Given | KCT Group trust | 7.10 | - |
| | Handy Waterbase India Private Limited | - | 2.52 |
| Advance Paid back | Waterbase Frozen Foods Privtae Limited#$ | 4.36 | - |
| Rent Paid | Karam Chand Thapar & Bros. (Coal Sales) Limited | 35.68 | 35.68 |
| Paid for Test Charges | KCT Group trust | 1.19 | 3.80 |
| Payments towards CSR | KCT Group trust | 6.18 | 29.00 |
| Investments in subsidiary | Waterbase Frozen Foods Privtae Limited#$ | 8.00 | - |

## NOTES TO STANDALONE FINANCIAL STATEMENT

(All amounts are in ₹ Lakhs)

| | | | |
|---|---|---|---|
| Remuneration | Mr. Ramakanth V Akula | 191.75 | 197.21 |
| | Mr. R. SureshKumar | 82.54 | 86.46 |
| | Mr. T.B Srikkanth | - | 8.15 |
| | Mr A. Bala | 16.58 | 6.79 |

**Related Party Disclosures**

| Particulars | Name of the Related party | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|---|
| Directors' Sitting Fees | Mr. Vikramaditya Mohan Thapar | 0.30 | 0.90 |
| | Mr. Varun Aditya Thapar | 2.00 | 2.00 |
| | Mr. Rahul Kapur | 2.30 | 1.80 |
| | Mr. Anil Kumar Bhandari | 2.00 | 2.30 |
| | Ms. Nitasha Thapar | 1.20 | 0.30 |
| | Mr. Ranjit Mehta | - | 2.00 |
| | Mr. Rahul Chandrasingh Mehta | 0.90 | - |
| | Mrs. Shashikala Venkatraman | 1.80 | 1.20 |

**Balances as at the end of the year**

| Particulars | Name of the Related party | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|---|
| Trade Payables | Handy Waterbase India Private Limited | 4.57 | - |
| | Avitech Nutrition Private Limited | 53.78 | 106.82 |
| Payables on purchase of Property Plant and Equipments | KCT Group Trust | 63.90 | - |
| Advance Receivable | Waterbase Frozen Foods Privtae Limited* | - | 3.64 |
| | Handy Waterbase India Private Limited | - | 1.33 |
| | Karam Chand Thapar & Bros. (Coal Sales) Limited | 0.43 | - |
| Other advance Receivable | TWL Employees Gratuity Trust | 0.12 | 0.12 |
| Investments in subsidiary | Waterbase Frozen Foods Privtae Limited* | 13.50 | 5.50 |

**Terms and conditions of transactions with related parties**

The purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided for any related party payables.

The remuneration of key management personnel during the year was as follows:

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Short-term benefits | 278.23 | 286.21 |
| Post-employment benefits ## | 12.64 | 12.40 |
| Other long-term benefits | - | - |

* Formerly known as Nav Srijit Shakti Telangana Private Limited

# Formerly Known as Saatatya Vistaar Oorja Bengaluru Private Limited

## As the liabilities for gratuity and compensated absences are provided on actuarial basis for the Company as a whole, the amounts pertaining to KMP are not separately avalaible hence not included.

### Note No. 40 Employee benefit plans

**Defined contribution plans**

The Company participates in a number of defined contribution plans on behalf of relevant personnel. Any expense recognised in relation to these schemes represents the value of contributions payable during the year by them at rates specified by the rules of those plans. The only amounts included in the balance sheet are those relating to the prior month's contributions that were not due to be paid until after the end of the reporting period.

The Company contributes to employee state insurance funds for eligible employees covered under Employee State Insurance Act, 1948 and other labour welfare funds and has recognised, in the Statement of Profit and Loss for the year ended Mar 31, 2024, an amount of Rs. 1.72 Lakhs (for the year ended Mar 31, 2023 Rs. 1.24 Lakhs) as expenses under the said defined contribution plans.

| **Particulars** | **For the year ended March 31, 2024** | **For the year ended March 31, 2023** |
|---|---|---|
| Contribution to Employee State Insurance Fund | 1.58 | 1.04 |
| Contribution to other Labour welfare Fund | 0.14 | 0.20 |
| **Total** | **1.72** | **1.24** |

**Provident Fund**

In accordance with Indian law, eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary). During the year, the Company has recognised Rs.108.23 lakhs (for the year ended Marc 31, 2023 Rs.103.87 lakhs) as contribution in the Statement of Profit and Loss Account.

The Company offers the following employee benefit schemes to its employees:

Defined benefit plans

i. Gratuity

Other long term employee benefits

i. Compensated absences

**i) Defined Benefit Plan -Gratuity:**

The following table sets out the funded status of the defined benefit plans and the amount recognised in the financial statements:

| **Particulars** | **For the year ended March 31, 2024** | **For the year ended March 31, 2023** |
|---|---|---|
| **Components of employer expense** | | |
| Current service cost | 51.61 | 48.75 |
| Past service cost | - | - |
| Interest cost | 22.14 | 19.84 |
| Expected return on plan assets | (10.40) | (10.70) |
| Curtailment cost / (credit) | - | - |
| Settlement cost / (credit) | - | - |
| Past service cost | - | - |
| **Total expense recognised in the Statement of Profit and Loss Account** | **63.35** | **57.89** |
| Actuarial losses / (gains) | | |
| Return on Plan Assets (excluding interest income) | 1.68 | 2.18 |
| Actuarial losses / (gains) arising from changes in demographic assumptions | - | - |
| Actuarial losses / (gains) arising from changes in financial assumptions | 3.29 | (4.79) |
| Actuarial losses / (gains) arising from changes in experience adjustments | (43.73) | (21.93) |
| **Total expense recognised in the other Comprehensive Income** | **(38.76)** | **(24.54)** |
| **Total expense recognised Statement of Profit and Loss Account** | **24.59** | **33.35** |
| **Actual contribution and benefit payments for year** | | |
| Actual benefit payments | 24.35 | 16.90 |
| Actual contributions | 1.86 | 1.96 |
| **Net asset / (liability) recognised in the Balance Sheet:** | | |
| Present value of defined benefit obligation | 330.35 | 321.39 |
| Fair value of plan assets | 142.63 | 156.40 |
| Status [Surplus / (Deficit)] | (187.71) | (164.99) |
| Unrecognised past service costs | - | - |
| **Net liability recognised in the Balance Sheet** | **(187.71)** | **(164.99)** |
| **Change in defined benefit obligations (DBO) during the year** | | |
| Present value of DBO at beginning of the year | 321.39 | 296.42 |

## NOTES TO STANDALONE FINANCIAL STATEMENT

(All amounts are in ₹ Lakhs)

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Current service cost | 51.61 | 48.75 |
| Interest cost | 22.14 | 19.84 |
| Actuarial losses / (gains) | (40.44) | (26.72) |
| Past service cost | | |
| Actuarial losses / (gains) arising from changes in demographic assumptions | - | - |
| Actuarial losses / (gains) arising from changes in financial assumptions | 3.29 | (4.79) |
| Actuarial losses / (gains) arising from changes in experience adjustments | (43.73) | (21.93) |
| Benefits paid | (24.35) | (16.90) |
| **Present value of DBO at the end of the year** | **330.35** | **321.39** |
| **Change in fair value of assets during the year** | | |
| Plan assets at beginning of the year | 156.40 | 162.82 |
| Expected return on plan assets | 10.40 | 10.70 |
| Actual Company contributions | 1.86 | 1.96 |
| Actuarial gains | (1.68) | (2.18) |
| Benefits paid | (24.35) | (16.90) |
| **Plan assets at the end of the year** | **142.63** | **156.40** |
| Composition of the plan assets is as follows: | | |
| Assets under scheme of insurance * | 100% | 100% |
| * in the absence of detailed information regarding plan assets which is funded with insurance companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed. | | |
| **Actuarial assumptions** | | |
| Discount rate | 6.97% | 7.16% |
| Salary escalation | 7.00% | 7.00% |
| Mortality tables | LIC (2006-08) Ultimate | LIC (2006-08) Ultimate |
| **Expected total benefit payments** | | |
| Year 1 | 34.74 | 34.69 |
| Year 2 | 42.38 | 37.02 |
| Year 3 | 47.87 | 37.79 |
| Year 4 | 44.57 | 57.29 |
| Year 5 | 48.88 | 40.93 |
| More than 5 years | 173.45 | 162.73 |

The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.

The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

**Sensitivity analysis:**

The increase / (decrease) of the defined benefit obligation to changes in the weighted principal assumptions are:

| Sensitivity | Gratuity | |
|---|---|---|
| | 2023-24 | 2022-23 |
| DBO at Mar 31 with discount rate -1.0 % | 348.69 | 339.81 |
| DBO at Mar 31 with discount rate +1.0 % | 313.70 | 304.70 |
| DBO at Mar 31 with -1% salary escalation | 315.19 | 305.76 |
| DBO at Mar 31 with +1% salary escalation | 346.61 | 338.33 |
| DBO at Mar 31 with 90% mortality escalation | 330.30 | 321.36 |
| DBO at Mar 31 with 110% mortality escalation | 330.37 | 321.40 |
| DBO at Mar 31 with 90% attrition escalation | 330.55 | 321.48 |
| DBO at Mar 31 with 110% attrition escalation | 330.11 | 321.26 |

(All amounts are in ₹ Lakhs)

**Other long term Employee Benefits - Compensated Absence:**

The Company provides for accumulation of leave by certain categories of its employees. These employees can carry forward a portion of the unutilised leave balances and utilise it in future periods or receive cash in lieu thereof as per the Company's policy. The Company records a provision for leave obligations in the period in which the employees render the services that increases this entitlement.

The total provision recorded by the Company towards this obligation as at year ended Mar 31, 2024 is Rs. 142.64 Lakhs (Mar 31, 2023: Rs. 132.37 Lakhs). The Company does not have an unconditional right to defer settlement for any of these obligations, however, based on past experience, the Company does not expect all employees to take full amount of accrued leave or require payment within the next twelve months, hence the amount of the provision is presented as both non current and current.

These plans typically expose the Company to actuarial risks are as follows:

| | |
|---|---|
| Credit risk | If the scheme is insured and fully funded on projected unit credit basis there is a credit risk to the extent the insurer(s) is/ are unable to discharge their obligations including failure to discharge in timely manner. |
| Pay-as-you-go risk | For unfunded schemes financial planning could be difficult as the benefits payable will directly affect the revenue and this could be widely fluctuating from year to year. Moreover there may be an opportunity cost of better investment returns affecting adversely the cost of the scheme. |
| Discount rate risk | The Company is exposed to the risk of fall in discount rate. A fall in discount rate will eventually increase in the ultimate cost of providing the above benefit thereby increasing the value of the liability. |
| Liquidity risk | This risk arises from the short term asset and liability cash-flow mismatch thereby causing the Company being unable to pay the benefits as they fall due in the short term. Such a situation could be the result of holding large illiquid assets disregarding the results of cash-flow projections and cash outflow inflow mismatch. (or it could be due to insufficient assets/cash.) |
| Demographic risk | In the valuation of the liability certain demographic (mortality and attrition rates) assumptions are inherent. The Company is exposed to this risk to the extent of actual experience eventually being worse compared to that assumed thereby causing an increase in the scheme cost. |
| Regulatory risk | New Act/Regulations may come up in future which could increase the liability significantly. |
| Future salary increase risk | The scheme cost is very sensitive to the assumed future salary escalation rates for all final salary defined benefit schemes. If actual future salary escalations are higher than that assumed in the valuation actual scheme cost and hence the value of the liability will be higher than that estimated. |

## Note No. 41 Financial Instruments

### 41.1 Capital Management

The Company's capital management objective is to maintain an optimal debt-equity structure so as to reduce the cost of capital, thereby enhancing returns to shareholders. The Company also has a policy of making judicious use of various available debt instruments within its overall working capital drawing limit. This interest arbitrage helps the Company to contain / reduce the cost of capital.

#### 41.1.1 Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Debt (A) | 2,593.11 | 3,769.87 |
| Cash and cash equivalents (B) | 34.71 | 818.71 |
| Net debt (A-B) | 2,558.40 | 2,951.16 |
| Total Equity (Equity + Net Debt) | 17,265.76 | 18,280.37 |
| Net debt to equity ratio (%) | 14.82% | 16.14% |

## NOTES TO STANDALONE FINANCIAL STATEMENT

(All amounts are in ₹ Lakhs)

**41.2 Categories of financial instruments**

The following table presents carrying amount and fair value of each category of financial assets and liabilities for the year ended :

| As at March 31, 2024 | Amortised cost | Fair value through Statement of Profit and Loss | Total Carrying Value | Total Fair Value |
|---|---|---|---|---|
| **Financial assets** | | | | |
| Trade receivables | 4,255.13 | - | 4,255.13 | 4,255.13 |
| Other financial assets | 106.59 | - | 106.59 | 106.59 |
| Cash and bank balances | 1,696.91 | - | 1,696.91 | 1,696.91 |
| **Total financial assets** | **6,058.63** | **-** | **6,058.63** | **6,058.63** |
| **Financial liabilities** | | | | |
| Borrowings | 2,593.11 | - | 2,593.11 | 2,593.11 |
| Lease Liabilities | 47.57 | - | 47.57 | 47.57 |
| Trade payables | 3,164.67 | - | 3,164.67 | 3,164.67 |
| Other financial liabilities | 629.14 | - | 629.14 | 629.14 |
| **Total financial liabilities** | **6,434.49** | **-** | **6,434.49** | **6,434.49** |
| **Total** | **(375.86)** | **-** | **(375.86)** | **(375.86)** |

| As at March 31, 2023 | Amortised cost | Fair value through Statement of Profit and Loss | Total Carrying Value | Total Fair Value |
|---|---|---|---|---|
| **Financial assets** | | | | |
| Trade receivables | 8,662.89 | - | 8,662.89 | 8,662.89 |
| Other financial assets | 488.12 | - | 488.12 | 488.12 |
| Cash and bank balances | 2,568.98 | - | 2,568.98 | 2,568.98 |
| **Total financial assets** | **11,719.99** | **-** | **11,719.99** | **11,719.99** |
| **Financial liabilities** | | | | |
| Borrowings | 3,769.87 | - | 3,769.87 | 3,769.87 |
| Lease Liabilities | 97.95 | | 97.95 | 97.95 |
| Trade payables | 4,556.46 | - | 4,556.46 | 4,556.46 |
| Other financial liabilities | 1,393.86 | - | 1,393.86 | 1,393.86 |
| **Total financial liabilities** | **9,818.14** | **-** | **9,818.14** | **9,818.14** |
| **Net Total** | **1,901.85** | **-** | **1,901.85** | **1,901.85** |

**Note :**

i. The short-term financial assets and liabilities are stated at amortized cost which is approximately equal to their fair value.]

**41.3 Financial risk management objectives**

The Company's principal financial liabilities comprises of trade and other payables, and other current liabilities. The main purpose of these financial liabilities is to raise finance for the Company's operations. The Company has receivables, trade and other receivables, and cash and short-term deposits that arise directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk.

The Company's senior management oversees the management of these risks. The Company's senior management advises on financial risks and the appropriate financial risk governance framework.

**41.4 Market risk**

Market risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include loans and borrowings, deposits.

(All amounts are in ₹ Lakhs)

**41.5 Foreign currency risk management**

The Company undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of reporting period are as follows:

| Particulars | Liabilities | | Assets | |
|---|---|---|---|---|
| | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2024 | As at March 31, 2023 |
| USD | 80.60 | 32.78 | 700.33 | 109.43 |

**41.5.1 Foreign currency sensitivity analysis**

The Company is mainly exposed to the currency US Dollar. This sensitivity analysis mentioned in the below table has been based on the composition of the Company's financial assets and liabilities exposed to foreign currency as at year end. The below table indicates the impact on profit / loss and balances where the INR strengthens 10% against the relevant currency or for a 10% weakening of the INR against the relevant currency.

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **US Dollar** | | |
| Impact of the net exposure on profit / (loss) for the year | 61.97 | 7.66 |

**41.6 Interest rate risk management**

The Company is exposed to interest rate risk because it borrows funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings contracts.

The Company's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

The Company's investments in term deposits with bank are carried at amortised cost and are at fixed interest rates. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of changes in market interest rates. There are no borrowings outstanding as on Mar 31, 2024 and as on Mar 31, 2023.

**41.6.1 Interest rate sensitivity analysis**

The sensitivity analysis below have been determined based on the exposure to interest rates for non-derivative instruments (Borrowings) at the end of the reporting period. For floating rate liabilities, the analysis is prepared considering average amount outstanding at the end of each month. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Company's:

• profit before tax for the year ended Mar 31, 2024 would decrease/increase by Rs.25.93 Lakhs (For year ended Mar 31, 2023 Rs.37.70 Lakhs). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

**41.7 Credit risk management**

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. The Comapany is exposed to this risk for various financial instruments, for example trade receivables, placing deposits, investment in mutual funds etc.

The Company continuously monitors defaults of customers and other counterparties, identified either individually or by the Company, and incorporates this information into its credit risk controls. The Company's policy is to transact only with counterparties who are highly creditworthy which are assessed based on internal due diligence parameters.

In respect of trade receivables, the Company is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. Trade receivables consist of a large number of customers in various geographical areas. Based on historical information about customer default rates management consider the credit quality of trade receivables that are not past due or impaired to be good.

The credit risk for cash and cash equivalents, fixed deposits and mutual funds are considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Other financial assets mainly comprise of security deposits which are given to customers or other governmental agencies in relation to contracts executed and are assessed by the Company for credit risk on a continuous basis.

## NOTES TO STANDALONE FINANCIAL STATEMENT

(All amounts are in ₹ Lakhs)

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Company's exposure of its counterparties are continuously monitored.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable and, where appropriate, the Company takes colleteral in the form of mortgaged properties and bank guarantees from the customers.

Concentration of credit risk to any counterparty did not exceed 5% of gross monetary assets (i.e. trade receivables) at any time during the year, except for 4 major customers having significant balances, i.e. exceeding 5% of the total trade receivables as at Mar 31, 2024 and 3 major customers having significant balances as at Mar 31, 2023 amounting to Rs. 1,758.45 Lakhs and Rs. 3,195.63 Lakhs respectively. In addition, the Company is exposed to credit risk in relation to financial guarantees given to banks.

The Company's maximum exposure in this respect is the maximum amount the Company could have to pay if the guarantee is called on. As at Mar 31, 2024, bank guarantees amounts to Rs.348.27 Lakhs (as at Mar 31, 2023: Rs. 503.84 Lakhs) has been considered in the balance sheet as contingent liabilities [refer note 34(b)].

The Company also adjusts outstanding trade receivables on selective basis against purchase of shrimps from the customers. Trade receivable amounting to Rs.2,622.76 lakhs has been adjusted against trade payable based on the confirmations obtained from the customers during year ended March 2024 (for the March 31, 2023 Rs. 278.65 Lakhs).

As at 31 March 2024, trade receivables to the extent of Rs. 537.94 lakhs {As at 31 March 2023 Rs. 617.02 lakhs) has been realised by the Company from the customers through the financial institution based on a channel financing arrangement. The Company has a first default loss guarantee in respect of such realised receivables which remains outstanding for settlement by the customers to the financial institution to the extent of Rs. 18.68 lakhs (as at 31 March 2023 Rs. 13.06 lakhs). This is included in the allowance for expected credit loss as at the year ended.

**41.7.1 Collateral held as security and other credit enhancements**

The Company collects Bank Gurantee and Property Mortgage wherever possible as collateral from it's customers for maintaining their risk profile.

**41.8 Liquidity risk management**

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

**41.8.1 Liquidity risk tables**

The following is an analysis of the Company's contractual undiscounted cash flows payable under financial liabilities as at -

| **As at March 31, 2024** | **Current** | **Non-Current** | | **Total** |
|---|---|---|---|---|
| | **Within 12 Months** | **1-5 Years** | **Later than 5 years** | |
| Borrowings | 2,593.11 | - | - | 2,593.11 |
| Lease Liabilities | 44.26 | 5.95 | - | 50.21 |
| Trade and other payables | 3,164.67 | - | - | 3,164.67 |
| Other financial liabilities | 629.14 | - | - | 629.14 |
| **Total** | **6,431.18** | **5.95** | **-** | **6,437.13** |

| **As at March 31, 2023** | **Current** | **Non-Current** | | **Total** |
|---|---|---|---|---|
| | **Within 12 Months** | **1-5 Years** | **Later than 5 years** | |
| Borrowings | 3,769.87 | - | - | 3,769.87 |
| Lease Liabilities | 57.14 | 50.21 | - | 107.35 |
| Trade and other payables | 4,556.46 | - | - | 4,556.46 |
| Other financial liabilities | 1,393.86 | - | - | 1,393.86 |
| **Total** | **9,777.33** | **50.21** | **-** | **9,827.54** |

(All amounts are in ₹ Lakhs)

**41.9 Financing facilities**

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **Total Fund Based and Non Fund Based Limits** | **9,881.00** | **7,381.00** |
| -amount used | 2,603.11 | 3,854.87 |
| -amount unused | 7,277.89 | 3,526.13 |

As at Mar 31, 2024, total limit of Rs. 9,881 Lakhs includes non-fund based limit of Rs. 500 Lakhs and non-fund based sub-limits aggregating to Rs. 3,981 Lakhs (as at Mar 31, 2023, total limit of Rs. 7,381 Lakhs includes non-fund based limit of Rs. 500 Lakhs and non-fund based sub-limits aggregating to Rs. 4,481 Lakhs)

Note: As at Mar 31, 2024, Rs.10 Lakhs out of the total bank guarantee of Rs. 348.27 Lakhs (as at Mar 31, 2023: Rs. 85 Lakhs out of the total bank guarantee of Rs. 503.84 Lakhs) have been taken against the company's sanctioned limits, the remaining bank guarantee has been taken against the lien on fixed deposits.

Borrowings as at Mar 31, 2024 Rs.2,593.11 lakhs (Rs.3,769.87 lakhs as at Mar 31, 2023) are secured by hypothecation of present and future stock of raw materials, work in progress, finished goods, stores and spares and debtors. Equitable mortgage over the factory land and building of the Company at Nellore and charge over property, plant and equipment of the Company, excluding vehicles.

**41.10 Fair value measurements**

This note provides information about how the Company determines fair values of various financial assets and financial liabilities.

**41.10.1 Fair value of the financial assets and liabilities that are measured at fair value**

The management considers the carrying amount of Biological assets at their appropriate fair values (Refer Note-11).

**41.10.2 Fair value of the financial assets and liabilities that are not measured at fair value**

The management consider that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

## Note No. 42 Ratios

| Ratio | Numerator | Denominator | Mar 31, 2024 | Mar 31, 2023 | % Variance | Reasons for Variance |
|---|---|---|---|---|---|---|
| Current Ratio (in times) | Current assets | Current liabilities | 2.33 | 1.96 | 19% | |
| Debt Equity Ratio (in times) | Total debt (Borrowings and Lease laibilities) | Shareholder equity | 0.15 | 0.21 | -28% | Decrease in borrowings during the year compared to last year resulted in decrease in Debt Equity Ratio. |
| Debt Service coverage Ratio (in times) | Earnings available for Debt Service (Net profit after tax + Non-cash operating expenses + Interest ) | Debt Service (Interest and lease payments + Principle payments) | 0.05 | 0.70 | -92% | Net loss , increase in finance cost and non-cash item during the year resulted in higher debt service coverage ratio. |
| Return on Equity (in %) | Net profit after taxes | Average shareholder equity | -5.87% | -1.88% | 212% | Net loss & Higher raw material cost during the year resulted in lower return on Equity |
| Inventory Turnover Ratio (in times) | Revenue from Operations | Averaege Inventory | 4.18 | 4.48 | -7% | |
| Trade receivable turnover ratio (in times) | Revenue from Operations | Average accounts reeivable | 5.12 | 4.80 | 7% | |
| Trade payable turnover ratio (in times) | Net credit Purchases | Average accounts payables | 6.81 | 6.83 | 0% | |

## NOTES TO STANDALONE FINANCIAL STATEMENT

(All amounts are in ₹ Lakhs)

| Ratio | Numerator | Denominator | Mar 31, 2024 | Mar 31, 2023 | % Variance | Reasons for Variance |
|---|---|---|---|---|---|---|
| Net capital turnover ratio (in times) | Revenue from Operations | working capital | 3.72 | 3.11 | 20% | |
| Net Profit ratio (in %) | Net profit | Revenue from Operations | -3.15% | -1.15% | 174% | Net loss and higher raw material cost resulted in lower Net Profit Ratio for the current year |
| Return on capital employed (in %) | Profit before tax and finance costs | Capital employed | -6.45% | -1.58% | 309% | Net loss and higher finance cost resulted in lower Return on Capital employed for the current year. |
| Return on Investment (in %) | Income generated from invested funds | Average funds invested in treasury investment | 5.04% | 3.26% | 55% | Increase in average period of investment during the year compared to last year resulted in increase in Return on investment ratio. |

### Note No. 43 Relationship with Struck Off Companies

Details of struck off companies with whom the company has transaction during the year or outstanding balance as on Balance sheet date

| Name of the Struck off Company | Nature of Transaction with Struck off Company | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|---|
| Wave Aquatic Private Limited | Trade Receivables | 571.46 | 571.46 |

i) The Company does not have any transactions with companies struck off during the fiancial year ended Mar 31, 2024 and Mar 31, 2023.

ii) The Company has made allowance for expected credit loss for the unsecured balances.

### Note No. 44 Employee stock option plan

During the previous year ended Mar 31, 2023, the Company had applied to stock exchange with a Employee Stock Option Plan (ESOP) after taking due approval from the share holders. The approval from the stock exchange was in process as at Mar 31, 2023.

During the year ended Mar 31, 2024, the management of the Company have received the approval from the stock exchange, however there was no options granted under the ESOP and the company has postponed the plan for rolling out the ESOP to the employees.

### Note No. 45 Additional Regulatory Information

i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

ii) The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.

iii) The Company does not has any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

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

v) 1. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

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

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

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

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

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

vi) The Company has complied with the requirement with respect to number of layers as prescribed under Section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.

vii) The Company has 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.

## Note No. 46 Particulars of Loans, Guarantees or Investments covered under Section 186(4) of the Companies Act, 2013

(i) Advances in the nature of loans given to Companies is Rs.Nil (As at Mar 31, 2023: Rs.3.64 Lakhs)

(ii) Details of investments made under Section 186 of the Companies Act, 2013 are disclosed in Note 5. There are no loans/ guarantees issued under Section 186 of the Companies Act, 2013 read with rules issued thereunder.

## Note No. 47 Audit trail

The Company has used accounting software for maintaining its books of account, which has a feature of recording audit trail as per the requirement of the Companies (Accounts) Rules, 2014 as amended by Ministry of Corporate Affairs (MCA) notification dated March 24, 2021, except that the audit trail feature was not enabled for transaction and master tables to log any direct data changes throughout the financial year.

## Note No. 48 Previous year figures

Previous year's figures have been restated, rearranged and regrouped, wherever necessary, to enable comparability of the current year's position of accounts with that of the relative previous year's position.

## Note No. 49 Approval of Standalone Financial Statements

The Standalone financial statements were approved for issue by the Board of Directors on May 29, 2024.

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
*Chartered Accountants*
Firm's Registration No. 117366W/W-100018

**R. Prasanna Venkatesh**
*Partner*
*Membership No. 214045*

Place: Chennai
Date: May 29, 2024

For and on behalf of the Board of Directors

**Varun Aditya Thapar**
Chairman
DIN : 02322660
Place : New Delhi
Date: May 29, 2024

**Rahul C Mehta**
Director
DIN : 00397420
Place : New Delhi
Date: May 29, 2024

**Bala Arumugam**
*Company Secretary*
Place : New Delhi
Date: May 29, 2024

**Ramakanth V Akula**
*Chief Executive Officer*
Place : New Delhi
Date: May 29, 2024

**R Sureshkumar**
*Chief Financial Officer*
Place : New Delhi
Date: May 29, 2024

# INDEPENDENT AUDITOR'S REPORT

for the year ended March 31, 2024

**To The Members of The Waterbase Limited**

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated financial statements of The Waterbase Limited ("the Parent") and its subsidiary, (the Parent and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2024, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiary referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, and their consolidated loss, their consolidated total comprehensive loss, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group 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 consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. we have determined the matters described below to be the key audit matters to be communicated in our report.

| Sr. No. | Key Audit Matter | Auditor's Response |
|---|---|---|
| 1. | **Recoverability of trade receivables and allowance for credit loss on overdue trade receivables (including dues from customers under legal proceedings)**<br>The parent has total outstanding trade receivable of Rs. 6,194.61 Lakhs (corresponding allowance for expected credit loss amounts to Rs. 1,939.48 Lakhs) as of March 31, 2024. Gross trade receivables include Rs. 2,174.26 Lakhs of secured receivables as at March 31, 2024. Net trade receivables balance of Rs. 4,255.13 Lakhs is significant to the total assets of the Company (18% of total assets as at March 31, 2024).<br>The gross trade receivables include balance of Rs. 4,696.07 Lakhs lying overdue above the normal credit days allowed to the customers, which in turn includes Rs. 3,708.32 lakhs in respect of which the Company has initiated legal/arbitration proceedings for recovery the amounts due, which proceedings are ongoing.<br>Significant amount of trade receivables has exceeded the stipulated credit period given to the debtors increasing the chance of bad debts and blockage of working capital.<br>The appropriate valuation of trade receivables is dependent on a number of factors such as age, credit worthiness, intent, ability of counter parties to make payment, the timing/outcome of the legal proceedings and the value of the underlying security received in the form of mortgage of properties from the customers and the ability of the Company to liquidate the same. | **Principal Audit Procedures:**<br>Our audit approach was a combination of test of internal controls and substantive procedures including:<br>• Understanding the Company's process of assessing the recoverability, review of the customers onboarding and credit monitoring process, monitoring of the legal proceedings and determination of the provisioning for such overdue receivables.<br>• Evaluating the design and implementation and testing the operating effectiveness of the controls relating to management's assessment of recoverability, determination of expected credit loss of overdue trade receivables and monitoring of the legal proceedings, where applicable.<br>• Assessing the profile of trade receivables as at March 31, 2024 including test of the key registration / customer onboarding documents on a sample basis and the economic environment applicable to these trade receivables.<br>• Evaluating the simplified approach applied by the Company to identify lifetime expected credit losses. In doing so, tested the historical provision rates and an evaluation was carried out for the need for it to be adjusted to reflect relevant, reasonable and supportable information about expected recoveries in the future.<br>• Evaluating reasonableness of the method, assumptions and judgements used by the management with respect to recoverability of the customer balances, having regards to nature of the customers, based on information available with the Company and assessment of the intent of the counterparty to make payment based on passage of time, legal proceedings underway, expected valuation and |

| Sr. No. | Key Audit Matter | Auditor's Response |
|---|---|---|
| | The carrying value is adjusted with the allowance for credit loss amount calculated based on the above-mentioned factors, wherein estimates and judgements are involved considering the delay and default risk and hence it has been considered as a key audit matter.<br>Refer to the accounting policies para 2.20 and Note 12 of the Consolidated Financial Statement. | liquidation plan of the security held by the Company and confirmation obtained by the management and determination of expected credit loss of overdue trade receivables, as applicable.<br>• Obtaining balance confirmation for samples of overdue receivables which are not under legal proceedings covering significant population of such receivables and verifying the reasonableness of the source of such confirmation responses as well and testing reconciliation for differences, if any for the confirmations received. Performing alternative procedures to test occurrence and existence of the receivables as at March 31, 2024 for cases where confirmations where not received.<br>• For receivables where legal/arbitration proceedings have been initiated, testing the movement in such proceedings during the year, understanding and evaluating the steps taken by the management to track and expedite the receipt of such dues, considering the awards received in favour or against the Company on such proceedings, where applicable and testing the assessment of the management regarding the recoverability of such dues.<br>• Where securities are available and considered by the management for the purposes of the credit evaluation, testing the underlying mortgage documents including registration thereof, the original title deeds available with the company, copies of the encumbrance certificate, guideline value of such security etc. to ascertain the charge in favour of the Company, on a sample basis.<br>• Testing the valuation of the underlying security with the valuation reports obtained from the registered valuer, where applicable, and assess reasonableness of the same with reference to the publicly available information in respect of such security and inputs from our internal fair valuation specialists on a sample basis.<br>• Evaluating disclosures made in the Consolidated financial statements. |
| 2. | **Existence and valuation of Inventory of Processing Plant:**<br>Inventory of the Parent consists primarily of variety of feeds, farm care products, processed shrimps and their raw materials.<br>As on March 31, 2024, the Company has inventory of processed shrimp at its processing plant which had a carrying value of Rs. 4,017.79 Lakhs which form major part of the total assets of the Company (17% of total assets as on March 31, 2024). The inventory of processed shrimp is valued at the lower of cost and net realizable value.<br>The Physical Verification of inventory on March 31, 2024 could not be completed by the management on a timely basis due to over stocking of the inventory in the cold storages where such processed shrimps are stored and therefore, we could not observe such verification of the physical inventory on or around March 31, 2024. The Management completed the physical verification subsequent to the year end in May 2024 and performed a roll back to reconcile the inventory as at March 31, 2024. We were therefore able to physically observe the complete inventory at the processing plant of the Company subsequent to March 31, 2024 in May 2024. | Principal audit procedures performed:<br>Our audit approach was a combination of test of internal controls and substantive procedures including:<br>• Understanding the process followed by the Company with respect to the physical verification of stock at its processing plant and the valuation of such stock.<br>• Evaluating the design and implementation and testing the operating effectiveness of key controls surrounding the physical verification of inventories of processed shrimps by the management and valuation of inventory. This included the enquiries and verification of the additional controls deployed by the management in relation to the existence of the inventory as at March 31, 2024.<br>• Obtaining the report of the physical verification of inventory at the processing plant by the Management and also the report from the third party appointed by the management post year end for processed shrimps available at plant including the reconciliation of the roll back of the stock to the balance as at March 31, 2024 to reconcile if the details as per such reports were matching to the physical stock considered by the Management for valuation as at March 31, 2024.<br>• For Inventories at third party warehouses, obtaining direct confirmations as at March 31, 2024 and also physically inspected such stock at the third party on a sample basis.<br>• Physically observing the inventory at the processing plant post the year end. |

## INDEPENDENT AUDITOR'S REPORT

for the year ended March 31, 2024

| Sr. No. | Key Audit Matter | Auditor's Response |
|---|---|---|
| | Further, the valuation process for the processing plant is largely manual, involves estimation, judgements, and assumptions around determination of:<br>• Yield % after processing of shrimps by performing various activities such as Soaking, glazing, etc.<br>• Allocable overheads and their absorption rates.<br>• Net realisable value of the inventories.<br>Accordingly, testing of the existence and valuation of the year-end inventory balance at the processing plant, is considered to be one of the areas which required significant auditor attention owing to the increased efforts, complexity and judgements involved in the process of the valuation of inventory.<br>Refer Note 2.6 in the Summary of material accounting policies and other explanatory notes and Note 11 to the consolidated financial statements. | • Testing the rollback reconciliation performed by the Management to arrive at the inventories at the year end by verifying on a sample basis, the following:<br>✓ Sales documents including the documents related to shipment for export purposes.<br>✓ Production records to test the actual production during the period.<br>✓ Purchase records and stock transfer to track the inward movement of inventory to the processing plant and to ascertain if the quantities considered by the management for the roll back reconciliation were appropriate.<br>✓ An analysis of the monthly stock levels at the processing plant, the capacity of the cold storage, the stock levels, production and sales during the periods of April and May 2024 to ascertain if the inventory quantities considered in the roll back analysis were reasonable taking into account the normal trends.<br>• Evaluating reasonableness of the valuation method used and mathematical accuracy.<br>• Testing the significant assumptions made in the valuation viz., yield rate, overhead allocation and verifying the same against available information with reference to data inputs used by the company to assess the accuracy, reliability, and completeness thereof. |

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

- The Parent's Board of Directors is responsible for the other information. The other information comprises the Board's report including annexures to Board report and Management Discussion and Analysis Report but does not include the consolidated financial statements,standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiary audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiary, is traced from their financial statements audited by the other auditors.
- 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 Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriateaccounting 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

### Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated 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 consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls 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 consolidated 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.

### Other Matters

We did not audit the financial statements of 1 (one) subsidiary, whose financial statements reflect total assets of Rs.4.43 Lakhs as at March 31, 2024, total revenues of Rs. Nil and net cash inflows amounting to Rs.3.50 Lakhs for the year ended on that date, as considered in the consolidated financial statements whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

## INDEPENDENT AUDITOR'S REPORT

for the year ended March 31, 2024

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiary referred to in the Other Matters section above we report, to the extent applicable 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 of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law maintained by the Group including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, except in relation to compliance with the requirements of audit trail, refer paragraph (i)(vi) below.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Parent as on March 31, 2024 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above.

   g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent andsubsidiary company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.

   h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the auditor's reports of subsidiary company incorporated in India, the remuneration paid by the Parent and such subsidiary company to their respective directors during the year is in accordance with the provisions of section 197 of the Act.

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

      i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 33 to the consolidated financial statements;

      ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts;

      iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary company incorporated in India;

      iv) (a) The respective Managements of the Parent and its subsidiary company which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiary company, respectively that, to the best of their knowledge and belief, as disclosed in the note 43(v)to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiary to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiary company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

      (b) The respective Managements of the Parent and its subsidiary company which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiary company respectively that, to the best of their knowledge and belief, as disclosed in the note 43(v) to the consolidated financial statements, no funds have been received by the Parent or any of such subsidiary from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the other auditors of the subsidiary which is company incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v) The Parent Company and its subsidiary which are companies incorporated in India, whose financial statements have been audited under the Act, have not declared or paid any dividend during the year and have not proposed final dividend for the year.

vi) Based on our examination which included test checks and that performed by the respective auditors of the subsidiary and based on the other auditor's reports of its subsidiary company incorporated in India whose financial statements have been audited under the Act, the Parent incorporated in India have used accounting Softwares for maintaining their respective books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software(s) except that audit trail feature was not enabled for transaction and master tables to log any direct data changes for the year ended March 31, 2024. Refer note 46 to the consolidated financial statements.

Further, during the course of audit, we and other auditors, whose reports have been furnished to us by the Management of the Parent, have not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent Company, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said respective companies included in the consolidated financial statements except for the following:

| Name of the company | CIN | Nature of relationship | Clause Number of CARO report with qualification or adverse remark |
|---|---|---|---|
| The Waterbase Limited | L05005AP1987PLC018436 | Parent | Clause (iii), (vii),(xvii) |
| Waterbase Frozen Foods Pvt Ltd. (Formerly known as SaatatyaVistaar Oorja Bengaluru Private Limited) | U05000TN2015PTC151924 | Wholly Owned Subsidiary | Clause (xvii) |

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No.117366W/W-100018)

**R Prasanna Venkatesh**
(Partner)
(Membership No.214045)
(UDIN: 24214045BKEKKQ2069)

Place: Chennai
Date: May 29, 2024

## ANNEXURE "A" to the INDEPENDENT AUDITOR'S REPORT

for the year ended March 31, 2024

**(Referred to in paragraph 1(f)under 'Report on Other Legal and Regulatory Requirements'section of our report of even date)**

**Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as at and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of The Waterbase Limited (hereinafter referred to as "Parent") and its subsidiary company, which includes internal financial controls with reference to consolidated financial statements of the Company's subsidiary which are companies incorporated in India, as of that date.

### Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent, its subsidiary company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the respective Companies 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent, its subsidiary company, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 with reference to consolidated financial statements 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by other auditor of the subsidiary company, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent, its subsidiary company, which are companies incorporated in India.

### Meaning of Internal Financial Controls with reference to consolidated financial statements.

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

### Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements.

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements 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 and based on the consideration of the reports of the other auditor referred to in the Other Matters paragraph below, the Parent, its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2024, based onthe criteria for internal financial control with reference to consolidated financial statements established by the respective companies 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.

### Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to 1 (one) subsidiary company, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No.117366W/W-100018)

**R Prasanna Venkatesh**
(Partner)
(Membership No.214045)
(UDIN: 24214045BKEKKQ2069)

Place: Chennai
Date: May 29, 2024

## CONSOLIDATED BALANCE SHEET

as at March 31, 2024

(All amounts are in ₹ Lakhs)

| Particulars | Note | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|---|
| **I. ASSETS** | | | |
| **1. Non-current assets** | | | |
| (a) Property, plant and equipment | 3a | 7,114.89 | 7,366.57 |
| (b) Right-of-Use assets | 4 | 40.08 | 87.01 |
| (c) Capital work in progress | 3b | 183.85 | 437.65 |
| (d) Intangible assets | 5 | 43.27 | 63.69 |
| (e) Other financial assets | 6 | 5.97 | 5.97 |
| (f) Deferred tax assets (net) | 7 | 665.19 | 394.34 |
| (g) Non-current tax assets (net) | 8 | 187.48 | 326.25 |
| (h) Other non-current assets | 9 | 432.92 | 227.04 |
| **Total non-current assets** | | **8,673.65** | **8,908.52** |
| **2. Current assets** | | | |
| (a) Biological assets | 10 | - | 18.25 |
| (b) Inventories | 11 | 8,290.65 | 7,509.66 |
| (c) Financial assets | | | |
| (i) Trade receivables | 12 | 4,255.13 | 8,662.89 |
| (ii) Cash and cash equivalents | 13 | 39.10 | 819.60 |
| (iii) Other balances with bank | 14 | 1,662.20 | 1,750.27 |
| (iv) Other financial assets | 6 | 100.62 | 482.15 |
| (d) Other current assets | 9 | 1,226.36 | 515.18 |
| **Total current assets** | | **15,574.06** | **19,758.00** |
| **TOTAL ASSETS** | | **24,247.71** | **28,666.52** |
| **II. EQUITY AND LIABILITIES** | | | |
| **1. Equity** | | | |
| (a) Equity share capital | 15 | 4,142.68 | 4,142.68 |
| (b) Other equity | 16 | 13,112.08 | 14,128.23 |
| **Total Equity** | | **17,254.76** | **18,270.91** |
| **2. Non-current liabilities** | | | |
| (a) Financial liabilities | | | |
| (i) Lease Liabilities | 4 | 5.88 | 47.57 |
| (b) Provisions | 17 | 307.52 | 275.77 |
| **Total non-current liabilities** | | **313.40** | **323.34** |
| **3. Current liabilities** | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 18 | 2,593.11 | 3,769.87 |
| (ii) Lease Liabilities | 4 | 41.69 | 50.38 |
| (iii) Trade payables | | | |
| (i) total outstanding dues of micro enterprises and small enterprises | 19 | 230.05 | 328.44 |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | 19 | 2,936.55 | 4,229.53 |
| (iv) Other financial liabilities | 20 | 629.14 | 1,393.86 |
| (b) Provisions | 17 | 29.49 | 38.93 |
| (c) Other current liabilities | 21 | 219.52 | 261.26 |
| **Total current liabilities** | | **6,679.55** | **10,072.27** |
| **TOTAL EQUITY AND LIABILITIES** | | **24,247.71** | **28,666.52** |

See accompanying notes 1-48 forming an integral part of the Consolidated financial statements

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
*Chartered Accountants*
Firm's Registration No. 117366W/W-100018

**R. Prasanna Venkatesh**
*Partner*
*Membership No. 214045*
Place: Chennai
Date: May 29, 2024

For and on behalf of the Board of Directors

**Varun Aditya Thapar**
Chairman
DIN : 02322660
Place : New Delhi
Date: May 29, 2024

**Rahul C Mehta**
Director
DIN : 00397420
Place : New Delhi
Date: May 29, 2024

**Bala Arumugam**
*Company Secretary*
Place : New Delhi
Date: May 29, 2024

**Ramakanth V Akula**
*Chief Executive Officer*
Place : New Delhi
Date: May 29, 2024

**R Sureshkumar**
*Chief Financial Officer*
Place : New Delhi
Date: May 29, 2024

## CONSOLIDATED STATEMENT OF PROFIT & LOSS

for the year ended March 31, 2024

(All amounts are in ₹ Lakhs)

| Particulars | | Note | **For the year ended March 31, 2024** | For the year ended March 31, 2023 |
|---|---|---|---|---|
| I. | Revenue from operations | 22 | 33,925.31 | 30,407.83 |
| II. | Other income | 23 | 308.21 | 264.44 |
| **III.** | **Total Income (I+II)** | | **34,233.52** | **30,672.27** |
| IV. | Expenses | | | |
| | a) Cost of materials consumed | 24 | 26,666.00 | 24,618.29 |
| | b) Purchases of stock-in-trade | 25 | 446.68 | 386.24 |
| | c) Changes in inventories of finished goods, work in progress, stock-in-trade and biological assets | 26 | (1,570.18) | (2,444.64) |
| | d) Employee benefits expense | 27 | 2,657.97 | 2,813.98 |
| | e) Finance costs | 28 | 300.65 | 210.97 |
| | f) Depreciation and amortization expenses | 29 | 951.73 | 894.53 |
| | g) Other expenses | 30 | 6,106.44 | 4,629.88 |
| | **Total Expenses (IV)** | | **35,559.29** | **31,109.25** |
| **V.** | **Loss before tax (III-IV)** | | (1,325.77) | (436.98) |
| **VI.** | **Tax expenses** | 31 | | |
| | a) Current tax | | - | - |
| | b) Deferred tax | | (280.61) | (89.28) |
| | **Total Tax expense (VI)** | | **(280.61)** | **(89.28)** |
| **VII.** | **Loss for the year (V-VI)** | | **(1,045.16)** | **(347.70)** |
| VIII. | Other comprehensive income | | | |
| | a) Items that will not be reclassified to profit or loss | | | |
| | (i) Re-measurements of defined benefit plans | 39 | 38.76 | 24.54 |
| | (ii) Income tax relating to above | 31 | (9.76) | (6.18) |
| | **Total other comprehensive income** | | **29.00** | **18.36** |
| **IX.** | **Total comprehensive Loss for the year (VII+VIII)** | | **(1,016.16)** | **(329.34)** |
| **X.** | **Earnings per equity share (Nominal value of Rs.10/- per share)** | 32 | | |
| | a) Basic | | (2.52) | (0.84) |
| | b) Diluted | | (2.52) | (0.84) |

See accompanying notes 1-48 forming an integral part of the Consolidated financial statements

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
*Chartered Accountants*
Firm's Registration No. 117366W/W-100018

**R. Prasanna Venkatesh**
*Partner*
*Membership No. 214045*

Place: Chennai
Date: May 29, 2024

For and on behalf of the Board of Directors

**Varun Aditya Thapar**
Chairman
DIN : 02322660
Place : New Delhi
Date: May 29, 2024

**Rahul C Mehta**
Director
DIN : 00397420
Place : New Delhi
Date: May 29, 2024

**Bala Arumugam**
*Company Secretary*
Place : New Delhi
Date: May 29, 2024

**Ramakanth V Akula**
*Chief Executive Officer*
Place : New Delhi
Date: May 29, 2024

**R Sureshkumar**
*Chief Financial Officer*
Place : New Delhi
Date: May 29, 2024

## CONSOLIDATED STATEMENT OF CASH FLOW

for the year ended March 31, 2024

(All amounts are in ₹ Lakhs)

| Particulars | **For the Year ended March 31, 2024** | | For the Year ended March 31, 2023 | |
|---|---|---|---|---|
| **A. CASH FLOW FROM OPERATING ACTIVITIES** | | | | |
| **Loss Before Tax** | | (1,325.77) | | (436.98) |
| Adjustments for: | | | | |
| Depreciation and amortisation expenses | 904.80 | | 844.34 | |
| Depreciation on Right of Use assets | 46.93 | | 50.19 | |
| Finance cost on lease liabilities | 6.75 | | 11.22 | |
| Profit on sale of property, plant and equipment | - | | (54.11) | |
| Property, plant and equipment written off | 0.49 | | 6.53 | |
| Finance costs | 293.90 | | 199.74 | |
| Interest income | (191.66) | | (144.92) | |
| Interest on income tax refund | (72.51) | | - | |
| Bad debts recovery | (3.95) | | (25.50) | |
| Provisions for allowance for Expected Credit Loss (Net) | 129.08 | | - | |
| Provision for doubtful advances written back | (30.08) | | - | |
| Proceeds from sale of mutual funds | - | | (20.24) | |
| Liability no longer required written back | (36.98) | | (5.51) | |
| Unrealised foreign exchange loss | 3.97 | | 0.36 | |
| | | 1,050.74 | | 862.10 |
| **Operating profit/(Loss) before working capital changes** | | (275.04) | | 425.12 |
| Changes in working capital: | | | | |
| Adjustments for (increase) / decrease in operating assets: | | | | |
| Inventories | (780.99) | | (1,617.47) | |
| Trade receivables | 4,278.21 | | (4,749.48) | |
| Biological assets | 18.25 | | (0.54) | |
| Other assets (non-current and current) | (730.32) | | (187.94) | |
| Other financial assets (non-current and current) | 6.71 | | (14.67) | |
| Adjustments for (decrease) / increase in operating liabilities: | | | | |
| Trade payables | (1,390.95) | | 2,021.16 | |
| Other financial liabilities (non-current and current) | (725.35) | | 357.22 | |
| Other liabilities (non-current and current) | (4.74) | | 93.07 | |
| Provisions (non-current and current) | 61.07 | | 46.09 | |
| | | 731.90 | | (4,052.56) |
| **Cash generated from / (used in) operations** | | **456.87** | | **(3,627.44)** |
| Net income taxes refund(Net) (including interest) | | 211.28 | | (29.45) |
| **NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES (A)** | | **668.15** | | **(3,656.89)** |
| **B. CASH FLOW FROM INVESTING ACTIVITIES** | | | | |
| Acquisition of property, plant and equipment and intangible assets | (575.15) | | (1,773.61) | |
| Proceeds from sale of property,plant and equipment | - | | 60.84 | |
| Proceeds from fixed deposits matured | 2,049.38 | | 3,042.00 | |
| Investment in fixed deposits | (1,549.36) | | (3,016.00) | |
| Purchase of mutual funds | - | | (1,399.93) | |
| Proceeds from sale of mutual funds | - | | 1,420.17 | |
| Interest received on deposits and others | 154.28 | 79.15 | 150.67 | (1,515.86) |
| **NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES (B)** | | **79.15** | | **(1,515.86)** |
| **C. CASH FLOW FROM FINANCING ACTIVITIES** | | | | |
| Finance costs | (293.90) | | (199.74) | |
| Proceeds from Working capital demand loan | 3,120.00 | | 2,985.00 | |
| Repayment of Working capital demand loan | (3,855.00) | | - | |
| Proceeds from Pre-shipment credit in foreign currency | - | | 1,166.26 | |
| Repayment of Pre-shipment credit in foreign currency | (357.81) | | (808.45) | |
| Principal repayment for Lease liabilities | (50.39) | | (48.91) | |
| Depreciation and amortisation expenses | (6.75) | | (11.22) | |
| **NET CASH GENERATED FROM / (USED IN) FINANCING ACTIVITIES (C)** | | **(1,443.85)** | | **3,082.94** |
| **NET DECREASE IN CASH AND CASH EQUIVALENTS (A + B + C)** | | **(696.55)** | | **(2,089.81)** |
| Cash and cash equivalents as at Apr 1 | | 392.54 | | 2482.35 |
| Cash and cash equivalents as at Mar 31 | | (304.01) | | 392.54 |
| **Net decrease in cash and cash equivalents** | | **(696.55)** | | **(2,089.81)** |

# CONSOLIDATED STATEMENT OF CASH FLOW

for the period ended March 31, 2024

(All amounts are in ₹ Lakhs)

**Notes :**

i. Cash and cash equivalents as at :

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|---|---|---|---|---|
| Cash in hand | | 2.72 | | 2.94 |
| Balances with banks: | | | | |
| In current accounts | 36.38 | | 36.66 | |
| Deposits with original maturity of less than three months | - | 36.38 | 780.00 | 816.66 |
| Less: Cash Credit Facilities | | (343.11) | | (427.06) |
| **Total** | | **(304.01)** | | **392.54** |

ii. The above statement of consolidated cashflow has been prepared under the indirect method as set out in Indian Accounting standard (IND AS) 7 statement of cashflow

iii. Changes in liabilities arising from financing activities

| Particulars | As at March 2023 | Cash Flows | Non cash Changes | | As at March 2024 |
|---|---|---|---|---|---|
| | | | Fair value changes | Current/ Non - current Classification | |
| **i) Borrowings Current** | | | | | |
| a) Working capital demand loan | 2,985.00 | (735.00) | - | - | 2,250.00 |
| b) Preshipment - credit in Foreign Currency | 357.81 | (357.81) | - | - | - |
| **ii) Other Financial Liabilities** | 97.96 | (50.39) | - | - | 47.57 |

| Particulars | As at March 2022 | Cash Flows | Non cash Changes | | As at March 2023 |
|---|---|---|---|---|---|
| | | | Fair value changes | Current/ Non - current Classification | |
| **i) Borrowings Current** | | | | | |
| a) Working capital demand loan | - | 2,985.00 | - | - | 2,985.00 |
| b) Preshipment - credit in Foreign Currency | - | 357.81 | - | - | 357.81 |
| **ii) Other Financial Liabilities** | 146.85 | (48.89) | - | - | 97.95 |

See accompanying notes 1-48 forming an integral part of the Consolidated financial statements

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
*Chartered Accountants*
Firm's Registration No. 117366W/W-100018

**R. Prasanna Venkatesh**
*Partner*
*Membership No. 214045*

Place: Chennai
Date: May 29, 2024

For and on behalf of the Board of Directors

**Varun Aditya Thapar**
Chairman
DIN : 02322660
Place : New Delhi
Date: May 29, 2024

**Rahul C Mehta**
Director
DIN : 00397420
Place : New Delhi
Date: May 29, 2024

**Bala Arumugam**
*Company Secretary*
Place : New Delhi
Date: May 29, 2024

**Ramakanth V Akula**
*Chief Executive Officer*
Place : New Delhi
Date: May 29, 2024

**R Sureshkumar**
*Chief Financial Officer*
Place : New Delhi
Date: May 29, 2024

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the period ended March 31, 2024

(All amounts are in ₹ Lakhs)

**A) Equity Share capital**

| Balance as at April 1, 2023 | Changes in Equity share capital due to Prior Period errors | Restated balance at the beginning of the current reporting Period | Changes in equity share capital during the current year | Balance as at March 31, 2024 |
|---|---|---|---|---|
| 4,142.68 | - | 4,142.68 | - | 4,142.68 |

| Balance as at April 1, 2022 | Changes in Equity share capital due to Prior Period errors | Restated balance at the beginning of the current reporting Period | Changes in equity share capital during the current year | Balance as at March 31, 2023 |
|---|---|---|---|---|
| 4142.68 | - | 4,142.68 | - | 4,142.68 |

**B) Other Equity**

| Particulars | Reserves and Surplus | | | | Total |
|---|---|---|---|---|---|
| | Securities premium | Capital reserve | General reserve | Retained earnings | |
| **Balance as at Apr 1, 2022** | **1,473.49** | **1,026.10** | **1,315.07** | **10,642.91** | **14,457.57** |
| Loss for the year | - | - | - | (347.70) | (347.70) |
| Re-measurement gain on defined benefit plan (net of tax) | - | - | - | 18.36 | 18.36 |
| **Total comprehensive loss for the year** | **-** | **-** | **-** | **(329.34)** | **(329.34)** |
| **Balance as at Mar 31, 2023** | **1,473.49** | **1,026.10** | **1,315.07** | **10,313.57** | **14,128.23** |
| Changes in accounting policy or prior period errors | - | - | - | - | - |
| **Restated balance as at Mar 31, 2023** | **1,473.49** | **1,026.10** | **1,315.07** | **10,313.57** | **14,128.23** |
| Loss for the year | - | - | - | (1,045.16) | (1,045.16) |
| Re-measurement gain on defined benefit plan (net of tax) | - | - | - | 29.00 | 29.00 |
| **Total comprehensive loss for the year** | **-** | **-** | **-** | **(1,016.16)** | **(1,016.16)** |
| **Balance as at Mar 31, 2023** | **1,473.49** | **1,026.10** | **1,315.07** | **9,297.41** | **13,112.08** |
| Changes in accounting policy or prior period errors | - | - | - | - | - |
| **Restated balance as at Mar 31, 2024** | **1,473.49** | **1,026.10** | **1,315.07** | **9,297.41** | **13,112.08** |

See accompanying notes 1-48 forming an integral part of the Consolidated financial statements

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
*Chartered Accountants*
Firm's Registration No. 117366W/W-100018

**R. Prasanna Venkatesh**
*Partner*
*Membership No. 214045*
Place: Chennai
Date: May 29, 2024

For and on behalf of the Board of Directors

**Varun Aditya Thapar**
Chairman
DIN : 02322660
Place : New Delhi
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**Rahul C Mehta**
Director
DIN : 00397420
Place : New Delhi
Date: May 29, 2024

**Bala Arumugam**
*Company Secretary*
Place : New Delhi
Date: May 29, 2024

**Ramakanth V Akula**
*Chief Executive Officer*
Place : New Delhi
Date: May 29, 2024

**R Sureshkumar**
*Chief Financial Officer*
Place : New Delhi
Date: May 29, 2024

# NOTES TO CONSOLIDATED FINANCIAL STATEMENT

## Corporate Information

The Waterbase Limited ("the Parent"), is a listed entity incorporated in the year 1987 in India,and its subsidiaries (together "the Group")are in the business of manufacturing and sale of Shrimp Feeds and Shrimp Aquaculture for 30 years. The Group is also in the business of Shrimp Hatchery.

**1. Basis of accounting and Preparation of Consolidated Financial Statements**

**1.1 Statement of Compliance with Ind AS**

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

**1.2 Basis of preparation and measurement**

The consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

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

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

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

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

**Level 1** – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

**Level 2** – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

**Level 3** – Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**1.3 Basis of Consolidation**

The consolidated financial statements incorporate the financial statements of the Parent and entities controlled by the Company i.e. its subsidiaries.

Control is achieved when the Company is exposed to, or has rights to the variable returns of the entity and the ability to affect those returns through its power over the entity.

The results of subsidiaries acquired or disposed off during the year are included in the consolidated statement of profit and loss from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Wherever necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by other members of the Group.

Intra-group transactions, balances, income and expenses are eliminated on consolidation.

Non-controlling interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the Group's equity. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition by- acquisition basis. Subsequent to acquisition, the carrying value of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interests having a deficit balance.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**2. Material Accounting Policies**

**2.1 Property plant and equipment**

Property, plant and equipment are initially recognised at cost. The initial cost of property, plant and equipment comprises its purchase price, including non-refundable duties and taxes net of any trade discounts and rebates. The cost of property, plant and equipment includes interest on borrowings (borrowing cost) directly attributable to acquisition, construction or production of qualifying assets subsequent to initial recognition. Property, plant and equipment are stated at cost less accumulated depreciation (other than freehold land, which are stated at cost) and impairment losses, if any.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and useful lives.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and capital work in progress) less their residual values over the useful lives, using the straight- line method ("SLM") as defined in Schedule II to the Companies Act, 2013. Management believes based on a technical evaluation (which is based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.) that the revised useful lives of the assets reflect the periods over which these assets are expected to be used, which are as follows:

| Asset | Useful live |
|---|---|
| **Building** | |
| Buildings including factory buildings – other than RCC frame structure | 30 years |
| Buildings other than factory buildings – RCC frame structure | 60 years |
| Fences, wells and tube wells | 5 Years |
| Temporary structure | 3 years |
| Non-carpeted road | 3 years |
| **Plant and equipment** | |
| Plant and Machinery (including general laboratory equipment) | 1-30years |
| Furniture and fixtures | 1-10 years |
| Office Equipment | 1-5 years |
| Vehicles | 6-10 years |
| **Computers** | |
| Computer - Server and networks | 6 years |
| Computer – Desktops, Laptops | 3 years |
| Computer – Accessories | 1 year |

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognised in profit or loss. Fully depreciated assets still in use are retained in consolidated financial statements.

**2.2 Intangible assets**

Intangible assets are measured on initial recognition at cost and subsequently are carried at cost less accumulated amortisation and accumulated impairment losses, if any.All intangible assets are tested for impairment. Amortization expenses and impairment losses and reversal of impairment losses are taken to the Consolidated Statement of Profit and Loss.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses on derecognition are determined by comparing proceeds with carrying amount. These are included in profit or loss.

The Group amortises intangible assets with a finite useful life using the straight-line method over the following range of useful lives:

| Asset | Useful live |
|---|---|
| Computer software | 5-10 years |

The estimated useful life is reviewed annually by the management.

**2.3 Capital work-in-progress and intangible assets under development**

Capital work-in-progress / intangible assets under development are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost.

**2.4 Non-derivative financial instruments**

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

**Cash and cash equivalents**

The Group considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

**Financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets 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 (FVTOCI)**

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

The Group has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in Other Comprehensive Income.

**Financial assets at fair value through profit or loss (FVTPL)**

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

**Derecognition of financial assets**

The group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**Financial liabilities**

Financial liabilities are measured at amortised cost using the effective interest method.

**Derecognition of financial liabilities**

The group derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognised in profit or loss.

**Equity instruments**

An equity instrument is a contract that evidences residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments recognised by the Group are measured at the proceeds received net off direct issue cost.

**Offsetting of financial instruments**

Financial assets and financial liabilities are off set and the net amount is reported in consolidated financial statements if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### 2.5 Impairment

**Financial assets (other than at fair value)**

The Group assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables

**Property Plant and Equipment's and intangibles assets**

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. 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. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the Consolidated Statement of Profit and Loss.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years.

### 2.6 Inventories

Inventories are valued at lower of cost (on weighted average basis) and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to their present location and condition, including all taxes and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

### 2.7 Biological assets

Biological assets of the Group comprises of livestocks of shrimps breeders and different phases of shrimp (viz. Zoea, Mysis, Post Larvae, etc.) that are classified as current biological assets. The Group recognises biological assets when, and only when, the Group controls the assets as a result of past events, it is probable that future economic benefits associated with such assets will flow to the Group and the fair value or cost of the assets can be measured reliably. Expenditure incurred on biological assets are measured on initial recognition and at the end of each reporting period at its fair value less costs to sell. The gain or loss arising from a change in fair value less costs to sell of biological assets are included in Consolidated Statement of Profit and Loss for the period in which it arises.

**2.8 Goodwill on Consolidation**

Goodwill on consolidation is stated at cost (substituted for restated cost where applicable) less impairment loss,where applicable. On disposal of a subsidiary, a ributable amount of goodwill is included in the determination ofthe profit and loss recognised in the consolidated statement of profi t and loss. Impairment loss, if any to the extentthe carrying amount exceeds the recoverable amount is charged off to the consolidated statement of profit and lossas it arises and is not reversed.

For impairment testing, goodwill is allocated to cash generating unit (CGU) or group of CGUs to which it relates, which is not larger than an operating segment

**2.9 Revenue recognition**

**Revenue from contract with customers for sale of goods and services**

Revenue from contract with customers is recognised when the Group satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at a point of time or over a period of time. Performance obligations satisfied over a period of time are recognised as per the terms of relevant contractual agreements/ arrangements. Performance obligations are said to be satisfied at a point of time when the customer obtains controls of the asset.

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

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

The Group recognises as an asset, the incremental costs of obtaining a contract with a customer, if the Group expects to recover those costs. The said asset is amortised on a systematic basis consistent with the transfer to goods or services to the customer.

**Dividend**

Dividend income from investments is recognised when the unconditional right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

**Insurance claims**

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

**2.10 Research and Development expenses**

Research expenditure is charged to the Consolidated Statement of Profit and Loss. Development costs of products are also charged to the Consolidated Statement of Profit and Loss unless a product's technical feasibility has been established, in which case such expenditure is capitalised. Tangible assets used in research and development are capitalised.

**2.11 Leases**

**The Group as a lessee:**

The Group's lease asset classes primarily consist of leases for land and buildings. The Group 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 Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group 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 Group 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.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

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 these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group 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 Consolidated Balance Sheet and lease payments have been classified as financing cash flows.

**The Group as a lessor:**

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

**2.12 Employee benefit expenses**

Employee benefits consist of contribution to provident fund, superannuation fund, gratuity fund and compensated absences.

Post-employment benefit plans

**Defined Contribution plans**

Payments to defined contribution retirement benefit scheme for eligible employees in the form of superannuation fund are charged as an expense as they fall due. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations, apart from the contributions made.

The Group also makes contribution towards provident fund, in substance a defined contribution retirement benefit plan for qualifying employees. The provident fund is deposited with the Provident Fund Commissioner which is recognized by the Income Tax authorities.

**Defined benefit plans**

The liability or asset recognised in the consolidated balance sheet in respect of its defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the said obligation is determined by discounting the estimated future cash outflows, using market yields of government bonds that have tenure approximating the tenures of the related liability.

The interest income / (expense) are calculated by applying the discount rate to the net defined benefit liability or asset. The net interest income / (expense) on the net defined benefit liability or asset is recognised in the Consolidated Statement of Profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Consolidated Balance Sheet.

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

Gratuity - The Group has an obligation towards gratuity, a defined benefit plan covering eligible employees. The plan provides for lump sum payment to vested employees on retirement, death while in employment or on separation. Vesting occurs upon completion of five years of service. The liability, which is determined by means of an independent actuarial valuation, is partly funded with LICI by the Group.

**Short term employee benefit and other long-term employee benefits**

Compensated absences which accrue to employees and which can be carried to future periods but are expected to be encashed or availed in twelve months immediately following the year end are reported as expenses during the year in which the employees perform the services that the benefit covers and the liabilities are reported at the undiscounted amount of the benefits after deducting amounts already paid. Where there are restrictions on availment of encashment of such accrued benefit or where the availment or encashment is otherwise not expected to wholly occur in the next twelve months, the liability on account of the benefit is actuarially determined using the projected unit credit method.

**2.13 Foreign currency translation**

The functional and presentation currency of the Group is Indian rupee

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

**2.14 Borrowing cost**

Borrowing costs are interest and ancillary costs incurred in connection with the arrangement of borrowings. General and specific borrowing costs attributable to acquisition and construction of any qualifying asset (one that takes a substantial period of time to get ready for its designated use or sale) are capitalised until such time as the assets are substantially ready for their intended use or sale, and included as part of the cost of that asset. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed beyond reasonable time due to other than temporary interruption. All the other borrowing costs are recognised in the Consolidated Statement of Profit and Loss within Finance costs of the period in which they are incurred.

**2.15 Segment reporting**

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the Chief Operating Decision Maker (CODM), in deciding how to allocate resources and assessing performance. The Group's CODM is the CEO.

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on a reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

**2.16 Taxation**

The income tax expense represents the sum of the tax currently payable and deferred tax.

**Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable.

**Deferred tax**

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company's expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**2.17 Accounting of provisions, contingent liabilities and contingent assets**

Provisions are recognized, when there is a present legal or constructive obligation as a result of past events, where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. Where the effect is material, the provision is discounted to net present value using an appropriate current market-based pre-tax discount rate and the unwinding of the discount is included in finance costs.

Contingent liabilities are recognised only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Group, or where any present obligation cannot be measured in terms of future outflow of resources, or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets are not recognised in the consolidated financial statements unless an inflow of economic benefits is probable.

**2.18 Dividend to equity shareholders**

Dividends paid (including income tax thereon) is recognized in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders in the general meeting.

**2.19 Earnings per share (EPS)**

Basic EPS is computed by dividing the profit or loss attributable to the equity shareholders of the Group by the weighted average number of Ordinary equity shares outstanding during the year.

Diluted EPS is computed by adjusting the profit or loss attributable to the ordinary equity shareholders and the weighted average number of ordinary equity shares, for the effects of all dilutive potential Ordinary shares.

**2.20 Use of estimates and judgement**

The preparation of the consolidated financial statements in conformity with Ind AS requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the consolidated financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

Judgementsconsolidated In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimates, which have the most significant effect on the amounts recognised in the consolidated financial statements:

**Recognition of deferred tax assets**

The extent to which deferred tax assets can be recognized is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry- forwards can be utilized. In addition, significant judgment is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

**Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due tomarket changes or circumstances arising that are beyond the control of the Group. Such changesare reflected in the assumptions when they occur.

**Allowance for trade receivables**

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for expected credit loss. The Company recognises impairment loss allowance based upon expected credit loss at each reporting date, right from its initial recognition on the basis of past trend and also based on the provision policy framed by the management after adjusting the market value of the security taken from the customers in the form of mortgage property and bank guarantee. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition.

**Impairment of non- financial assets**

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

**Inventories**

Management estimates the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realization of these inventories may be affected by future technology or other market-driven changes that may reduce future selling prices.

**Biological Assets**

Management estimates the fair value less costs to sell of biological assets, taking into account the most reliable evidence available at each reporting date. The future realization of these biological assets may be affected by their survival rate, age and / or other market-driven changes that may reduce the future economic benefits associated with such assets. The fair value is arrived at based on the observable market prices of biological assets adjusted for cost to sells, as applicable.

**Defined Benefit Obligation (DBO)**

Management's estimate of the DBO is based on a number of critical underlying assumptions such as attrition rate, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses (as analyzed in Note 39).

**Useful lives of depreciable assets**

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain assets.

**Fair value measurement of financial instruments**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

(i) In the principal market for the asset or liability, or

(ii) In the absence of a principal market, in the most advantageous market for the asset or liability

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non- financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

**Current and non-current classification**

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

**2.21 Recent accounting pronouncements**

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. MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules,2023, applicable from April 1, 2023, as below:

Ind AS 1 -Presentation of Financial Statements

The amendment requires disclosure of material accounting policies instead of significant accounting policies. In the Standalone financial statements the disclosure of accounting policies has been accordingly modified. The impact of such modifications to the accounting policies is expected to be insignificant.

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

The amendment has defined accounting estimate as well as laid down the treatment of accounting estimate to achieve the objective set out by accounting policy. There is no impact of the amendment on the Standalone Financial Statements.

Ind AS 12-Income taxes

The definition of deferred tax asset and deferred tax liability is amended to apply initial recognition exception on assets and liabilities that does not give rise to equal taxable and deductible temporary differences. There is no impact of the amendment on the Standalone Financial Statements.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in ₹ Lakhs)

### Note No. 3a Property, plant and equipment

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Freehold land | 545.28 | 545.28 |
| Building | 3,508.92 | 3,606.00 |
| Plant and equipment | 2,643.80 | 2,879.09 |
| Furniture and fixtures | 54.04 | 42.98 |
| Vehicles | 125.67 | 161.93 |
| Office equipment | 202.54 | 97.37 |
| Computers | 34.64 | 33.92 |
| **Total** | **7,114.89** | **7,366.57** |

| Particulars | Freehold land | Building | Plant and equipment | Furniture and fixtures | Vehicles | Office equipment | Computers | Total PPE |
|---|---|---|---|---|---|---|---|---|
| **Carrying Amount** | | | | | | | | |
| **As at Apr 1, 2022** | **525.50** | **3,806.08** | **5,407.54** | **133.86** | **350.18** | **187.67** | **112.10** | **10,522.93** |
| Additions/Acquisitions | 20.67 | 993.03 | 811.73 | 3.47 | 10.17 | 61.39 | 26.16 | 1,926.62 |
| Disposals/write off | (0.89) | - | - | - | (32.49) | - | - | (33.38) |
| Transfer | - | - | - | - | - | - | - | - |
| **As at Mar 31, 2023** | **545.28** | **4,799.11** | **6,219.27** | **137.33** | **327.86** | **249.06** | **138.26** | **12,416.17** |
| Additions/Acquisitions | - | 113.59 | 332.48 | 19.19 | 0.88 | 152.38 | 14.66 | 633.18 |
| Disposals/write off | - | - | - | - | - | (1.62) | (7.33) | (8.95) |
| Transfer | - | - | - | - | - | - | - | - |
| **As at Mar 31, 2024** | **545.28** | **4,912.70** | **6,551.75** | **156.52** | **328.74** | **399.82** | **145.59** | **13,040.40** |
| **Depreciation and Impairment** | | | | | | | | |
| **As at Apr 1, 2022** | **-** | **1,001.68** | **2,804.20** | **86.98** | **145.21** | **113.56** | **95.34** | **4,246.97** |
| Depreciation charge for the year | - | 191.43 | 535.98 | 7.37 | 40.84 | 38.13 | 9.00 | 822.75 |
| Disposals/write off | - | - | - | - | (20.11) | - | - | (20.11) |
| **As at Mar 31, 2023** | **-** | **1,193.11** | **3,340.18** | **94.35** | **165.94** | **151.69** | **104.34** | **5,049.60** |
| Depreciation charge for the year | - | 210.67 | 567.77 | 8.13 | 37.12 | 47.13 | 13.53 | 884.35 |
| Disposals/write off | - | - | - | - | - | (1.54) | (6.92) | (8.46) |
| **As at Mar 31, 2024** | **-** | **1,403.78** | **3,907.95** | **102.48** | **203.06** | **197.28** | **110.95** | **5,925.50** |
| **Carrying Amount** | | | | | | | | |
| **As at Mar 31, 2023** | **545.28** | **3,606.00** | **2,879.09** | **42.98** | **161.93** | **97.37** | **33.92** | **7,366.57** |
| **As at Mar 31, 2024** | **545.28** | **3,508.92** | **2,643.80** | **54.04** | **125.67** | **202.54** | **34.64** | **7,114.89** |

**Note:**

(i) All the title deeds of all the immovable property (other than properties where Group is the lessee and lease agreements are duly executed in the favour of the lessee) are in the name of the Group.

(ii) On Mar 11, 2024, the Group entered into a transfer agreement with KCT Group Trust, to acquire the identified assets of the Trust as mentioned below:

| Particulars | Amount |
|---|---|
| Purchase of PPE | 71.00 |
| Purchase consideration | 71.00 |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in ₹ Lakhs)

**Note No. 3b Capital Work-In-Progress**

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **Capital work-in-progress** | 183.85 | 437.65 |

| Particulars | Capital work-in-progress |
|---|---|
| **As at Apr 1, 2022** | **343.85** |
| Add: Additions | 2,020.42 |
| Less: Capitalizations | (1,926.62) |
| **As at Mar 31, 2023** | **437.65** |
| Add: Additions | 379.38 |
| Less: Capitalizations | (633.18) |
| **As at Mar 31, 2024** | **183.85** |

Ageing Schedule of Capital work-in-progress as on Mar 31, 2024 is as follows -

| Capital work-in-progress | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|---|---|---|---|---|---|
| Projects in Progress | 142.29 | 41.56 | - | - | 183.85 |

Ageing Schedule of Capital work-in-progress as on Mar 31, 2023 is as follows -

| Capital work-in-progress | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|---|---|---|---|---|---|
| Projects in Progress | 308.50 | 129.15 | - | - | 437.65 |

**Note:**

The Group doesn't have capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan.

**Note No. 4 Right of use assets and Lease Liabilities**

**Right- of-use (ROU) assets :**

Following are the changes in the carrying value of right of use assets for the year ended Mar 31

| Carrying Amount | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **Right -of -Use assets** | 40.08 | 87.01 |

| Particulars | Category of ROU asset |
|---|---|
| | **Buildings** |
| **Carrying Amount :** | |
| **As at Apr 1, 2022** | **218.65** |
| Additions | - |
| Disposal | - |
| **As at Mar 31, 2023** | **218.65** |
| Additions | - |
| Disposal | - |
| **As at Mar 31, 2024** | **218.65** |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in ₹ Lakhs)

| Particulars | Category of ROU asset |
|---|---|
| | **Buildings** |
| **Amortisation and Impairment** | |
| **As at Apr 1, 2022** | **81.45** |
| Amortisation charge for the year | 50.61 |
| Adjustments (during the year) | (0.42) |
| **As at Mar 31, 2023** | **131.64** |
| Amortisation charge for the year | 46.93 |
| **As at Mar 31, 2024** | **178.57** |
| **Carrying amount as at March 31, 2023** | **87.01** |
| **Carrying amount as at March 31, 2024** | **40.08** |

The aggregate amortisation expense on ROU assets is included under depreciation and amortisation expense (Note-29) in the Statement of Profit and Loss.

**Lease Liabilities :**

The following is the break-up of current and non-current lease liabilities as at Mar 31:

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Current lease liabilities | 41.69 | 50.38 |
| Non-current lease liabilities | 5.88 | 47.57 |
| **Total** | **47.57** | **97.95** |

The following is the movement in lease liabilities during the year ended Mar 31 :

| Particulars | Lease Liabilities |
|---|---|
| **Cost :** | |
| **As at Apr 1, 2022** | **146.85** |
| Additions | - |
| Disposal | - |
| **As at Mar 31, 2023** | **146.85** |
| Finance cost accrued during the year | - |
| Less : Payment of lease liabilities | - |
| **As at Mar 31, 2024** | **146.85** |
| Finance cost accrued during the year | 11.22 |
| Less : Payment of lease liabilities | 60.13 |
| Add: Adjustment during the year | 0.01 |
| **As at Mar 31, 2023** | **97.95** |
| Finance cost accrued during the year | 6.75 |
| Less : Payment of lease liabilities | 57.14 |
| Add: Adjustment during the year | 0.01 |
| **As at Mar 31, 2024** | **47.57** |
| **Carrying amount as at March 31, 2023** | **97.95** |
| **Carrying amount as at March 31, 2024** | **47.57** |

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in ₹ Lakhs)

The table below provides details regarding the contractual maturities of net investment in ROU as at Mar 31, on an undiscounted basis:

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|---|---|---|---|---|
| | Within 1 Year | 1-5 Years | Within 1 Year | 1-5 Years |
| Non-Cancellable Lease payable | 44.26 | 5.95 | 57.14 | 50.21 |

The Group is obligated under cancellable and non-cancellable leases for office premises, warehouses, etc. total rental expense other than lease for the year ended Mar 31, 2024 amounted to Rs. 134.43 Lakhs (For the year ended Mar 31, 2023: Rs. 43.12 Lakhs) (Refer Note 30).

### Note No. 5 Intangible assets

| Carrying Amount | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Intangible asset | | |
| **Computer Software** | **43.27** | **63.69** |

| Particulars | Computer Software |
|---|---|
| Cost or Deemed Cost | |
| **As at Apr 1, 2022** | **201.35** |
| Additions | - |
| **As at Mar 31, 2023** | **201.35** |
| Additions | - |
| **As at Mar 31, 2024** | **201.35** |
| Amortisation and Impairment | |
| **As at Apr 1, 2022** | **116.49** |
| Amortisation charge for the year | 21.17 |
| **As at Mar 31, 2023** | **137.66** |
| Amortisation charge for the year | 20.44 |
| **As at Mar 31, 2024** | **158.10** |
| **Carrying Amount** | |
| **As at Mar 31, 2023** | **63.69** |
| **As at Mar 31, 2024** | **43.27** |

### Note No. 6 Other financial assets

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **A. Non Current** | | |
| Security deposits | 4.97 | 4.97 |
| Earmarked balances: | | |
| Deposits with original maturity of more than twelve months (Refer note below) | 1.00 | 1.00 |
| **Total** | **5.97** | **5.97** |
| **B. Current** | | |
| Security deposits | 18.87 | 25.58 |
| Interest accrued on deposits | 66.75 | 29.37 |
| Deposits with Original maturity more than 12 months but maturing within 12 months from the Balance Sheet date | 15.00 | 427.20 |
| **Total** | **100.62** | **482.15** |

**Note:**

a) Fixed Deposit of Rs.1.00 Lakh (As at Mar 31, 2023 : Rs.1.00 Lakhs) is deposited against locker rent.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENT

(All amounts are in ₹ Lakhs)

**Note No. 7 Deferred tax assets / liabilities (net)**

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Deferred tax assets | 969.88 | 730.16 |
| Deferred tax liabilities | (304.69) | (335.82) |
| **Total** | **665.19** | **394.34** |

| Particulars | As at April 1, 2023 | Recognised in Statement of Profit and Loss | Recognised in Other Comprehensive Income | As at March 31, 2024 |
|---|---|---|---|---|
| **A.Deferred tax assets** | | | | |
| Allowances for doubtful debts | 455.64 | 32.49 | - | 488.13 |
| Allowances for doubtful advances | 36.67 | (7.57) | - | 29.10 |
| Provision for gratuity and compensated absences | 74.83 | 18.06 | (9.76) | 83.13 |
| Provision for Inventory | 10.43 | (1.46) | - | 8.97 |
| Expenditures falling under section 43B of Income Tax Act, 1961 | 15.11 | 1.25 | - | 16.36 |
| Difference between Lease liabilities and Right of Use Assets | 2.74 | (0.86) | - | 1.88 |
| Carry forward losses -unabosrbed depreciation and business loss | 134.74 | 207.57 | - | 342.31 |
| | **730.16** | **249.48** | **(9.76)** | **969.88** |
| **B. Deferred tax liabilities** | | | | |
| Difference between book balance and tax balance of property, plant and equipment | 311.36 | (31.13) | - | 280.23 |
| Others | 24.46 | - | - | 24.46 |
| | **335.82** | **(31.13)** | **-** | **304.69** |
| **Net deferred tax assets / (liabilities) (A-B)** | **394.34** | **280.61** | **(9.76)** | **665.19** |

| Particulars | As at April 1, 2022 | Recognised in Statement of Profit and Loss | Recognised in Other Comprehensive Income | As at March 31, 2023 |
|---|---|---|---|---|
| **A.Deferred tax assets** | | | | |
| Allowances for doubtful debts | 455.64 | - | - | 455.64 |
| Allowances for doubtful advances | 36.67 | - | - | 36.67 |
| Provision for gratuity and compensated absences | 66.60 | 14.41 | (6.18) | 74.83 |
| Provision for Inventory | 11.25 | (0.82) | - | 10.43 |
| Expenditures falling under section 43B of Income Tax Act, 1961 | 15.11 | - | - | 15.11 |
| Difference between Lease liabilities and Right of Use Assets | 2.43 | 0.31 | - | 2.74 |
| Carry forward losses - unabsorbed depreciation | 77.52 | 57.22 | - | 134.74 |
| | **665.22** | **71.12** | **(6.18)** | **730.16** |
| **B. Deferred tax liabilities** | | | | |
| Difference between book balance and tax balance of property, plant and equipment | 324.92 | (13.56) | - | 311.36 |
| Others | 29.06 | (4.60) | - | 24.46 |
| | **353.98** | **(18.16)** | **-** | **335.82** |
| **Net deferred tax assets / (liabilities) (A-B)** | **311.24** | **89.28** | **(6.18)** | **394.34** |

(All amounts are in ₹ Lakhs)

**Note No. 8** **Non-current tax asset (net)**

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Advance income tax (including tax deducted at source) | 187.48 | 326.25 |
| [Net of provision Rs.6,858.92 Lakhs (As at Mar 31, 2023: Rs. 6,996.41 Lakhs)] | | |
| **Total** | **187.48** | **326.25** |

**Note No. 9** **Other assets**

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **A. Non Current (Unsecured)** | | |
| Capital advances | 181.84 | 25.18 |
| Balance lying with Government authorities | 126.03 | 87.24 |
| Less: Provision for doubtful deposits | (50.24) | (50.24) |
| | 75.79 | 37.00 |
| Security deposits with others | 157.56 | 157.11 |
| Less: Provision for doubtful deposits | (2.96) | (2.96) |
| | 154.60 | 154.15 |
| Prepaid expenses | 20.69 | 10.71 |
| **Total** | **432.92** | **227.04** |
| **B. Current (Unsecured)** | | |
| (i) Advances other than capital advances: | | |
| (a) Advances to related parties | 0.12 | 5.08 |
| (b) Advance to suppliers | 173.47 | 249.51 |
| Less: Provision for doubtful advances | (62.39) | (92.47) |
| | 111.08 | 157.04 |
| (ii) Balance lying with government authorities | 880.99 | 203.91 |
| (iii) Prepaid expenses | 223.38 | 134.88 |
| (iv) Employee advances | 10.78 | 14.27 |
| **Total** | **1,226.36** | **515.18** |

**Note:**

a. Advance given to related parties as mentioned below:

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Handy Waterbase India Private Limited | - | 1.33 |
| TWL Employees Gratuity Trust | 0.12 | 0.12 |

b. Balance with Governement authorities breakup as mentioned below:

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **Non Current:** | | |
| Deposits for- | | |
| Goods and Service tax Receivable [amont paid under protest is Rs. 37.46 Lakhs (As at March 31, 2023 : Rs. Nil)] | 37.46 | - |
| CENVAT and Sales tax Receivable [amont paid under protest is Rs. 37.84 Lakhs (As at March 31, 2023 : Rs. 37.84 Lakhs)] | 37.84 | 37.84 |
| Customs duty Receivables | 18.66 | 18.66 |
| Others | 32.07 | 30.74 |
| **Total** | **126.03** | **87.24** |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENT

(All amounts are in ₹ Lakhs)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **Current:** | | |
| Goods and Service Tax input credit | 448.40 | 133.16 |
| Export Incentives Receivable | 432.59 | 70.75 |
| **Total** | **880.99** | **203.91** |

This includes balances lying towards GST , Service tax, Sales Tax , Excise Duty ,Customs Duty and Export Incentives Receivable

### Note No. 10 Biological assets

| Particulars | Fair Value Input | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|---|
| Brood Stock | Level 1 | - | 18.25 |
| **Total** | | **-** | **18.25** |

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| As at Opening date | 18.25 | 17.71 |
| Increase due to purchases / production / physical change | 16.23 | 425.54 |
| Decrease due to harvest / physical change/Sale | (18.11) | (425.00) |
| Decrease due to internal consumption / discarded | (16.37) | |
| Net change in the fair value less estimated cost to sell | - | - |
| **Total** | **-** | **18.25** |

**Note : Details and fair valuation of Biological Assets**

Biological assets of the Company are in the nature of Consumable Biological Assets. It is bifurcated into Brood Stock, i.e. the Parents and harvested species which undergo biological transformation under different stages as Nauplii, Zoea, Mysis and Post Larvae. The Company sells the biological assets at Nauplii and Post Larvae Stages. The Brood Stock has a maximum useful life of 5 months for laying eggs. and thereafter these are scrapped.

Biological Assets is measured at fair value less costs to sell, with any change recognised in the Statement of Profit and Loss. Costs to sell are the incremental costs directly attributable to the disposal of biological asset, excluding finance costs and income taxes. Costs to sell include all costs that would be necessary to sell the assets, including direct selling costs.

The transmission phase from Nauplii to Zoea and Mysis are not considered as significant transformation of biological asset and hence Zoea and Mysis are not valued as per Ind AS - 41, ""Agriculture"".

The fair value of biological assets is based on its market condition as on the reporting date. The quoted price in the market is the appropriate basis for determining the fair value of these biological assets.

In the event that market determined prices or values are not available for biological assets in its present condition we use the present value of the expected net cashflows from the asset discounted at a current market determined rate in determining fair value.

**Fair Value Inputs are summarised as follows:**

**Level 1 Price Inputs –** are quoted prices (unadjusted) in active markets for identical assets or liabilities that can be accessed at the measurement date.

**Level 2 Price Inputs –** are 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 Price Inputs –** are inputs for the asset or liability that are not based on observable market data (unobservable inputs).

### Note No. 11 Inventories

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| (Lower of Cost and Net Realisable Value ) | | |
| Raw materials | 2,179.36 | 2,999.81 |
| Work-in-progress | 458.74 | 384.27 |
| Finished goods | 4,950.34 | 3,509.41 |
| Stock-in-trade (Traded goods) | 147.80 | 74.77 |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENT

(All amounts are in ₹ Lakhs)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Stores and spares | 554.41 | 541.40 |
| **Total** | **8,290.65** | **7,509.66** |
| Stock-in-transit:included in : | | |
| Finished goods | 1,186.93 | 1,150.37 |

**Notes:**

(i) The cost of inventories recognised as an expense during the year is Rs. 28,222.33 Lakhs, ( As at Mar 31, 2023: Rs. 24,739.46 Lakhs)

(ii) The Inventory is net of provisions of Rs.47.79 Lakhs

### Note No. 12 Trade receivables

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| (a) Secured, considered good | 2,174.26 | 3,692.03 |
| (b) Unsecured, considered good | 2,210.51 | 5,284.42 |
| Less: Allowance for Expected Credit Loss | (129.64) | (313.56) |
| (c) Credit impaired | 1,809.84 | 1,496.84 |
| Less: Allowance for Expected Credit Loss | (1,809.84) | (1,496.84) |
| **Total** | **4,255.13** | **8,662.89** |

(i) No trade receivable are due from directors or other officers of the Group either severally or jointly with any other person. While the trade receivable due from firms or private companies respectively in which any director is a partner, a director or a member is Rs. Nil (As at Mar 31, 2023 - Rs. Nil).

(ii) There are 4 major customers having significant balances, i.e. exceeding 5% of the total trade receivables as at Mar 31, 2024 and 3 major customers having significant balances as at Mar 31, 2023 amounting to Rs. 1,758.45 Lakhs and Rs. 3,195.63 Lakhs respectively.

(iii) Refer Note 40 for information about credit risk and market risk of trade receivables.

(iv) Trade receivables are generally on terms of 0 to 120 days based upon the credit worthiness of the customers.

(v) **Ageing schedule of trade receivables as on Mar 31, 2024 oustanding from due date of payment is as follows -**

| Particulars | Outstanding for following periods from due date of Payments | | | | | | |
|---|---|---|---|---|---|---|---|
| | Not due | Less than 6 months | 6 months - 1 year | 1- 2 years | 2-3 years | More than 3 years | Total |
| **i) Undisputed Trade Receivables** | | | | | | | |
| Considered good - secured | 91.06 | 180.98 | 3.74 | - | - | - | 275.78 |
| Considered good - unsecured | 1,407.48 | 672.64 | 120.85 | 8.43 | 0.31 | 0.80 | 2,210.51 |
| **ii) Disputed Trade receivables** | | | | | | | |
| Considered good - secured | - | 0.01 | 41.47 | 503.60 | 92.12 | 1,261.28 | 1,898.48 |
| Considered good - unsecured | - | 0.08 | 65.65 | 231.67 | 27.15 | 1,485.29 | 1,809.84 |
| **Total Trade receivables** | **1,498.54** | **853.71** | **231.71** | **743.70** | **119.58** | **2,747.37** | **6,194.61** |
| Less: Allowance for expected credit loss | | | | | | | (1,939.48) |
| **Net Trade receivables** | **1,498.54** | **853.71** | **231.71** | **743.70** | **119.58** | **2,747.37** | **4,255.13** |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENT

(All amounts are in ₹ Lakhs)

**Ageing schedule of trade receivables as on Mar 31, 2023 oustanding from due date of payment is as follows -**

| Particulars | Outstanding for following periods from due date of Payments | | | | | | |
|---|---|---|---|---|---|---|---|
| | Not due | Less than 6 months | 6 months - 1 year | 1- 2 years | 2-3 years | More than 3 years | Total |
| **i) Undisputed Trade receivables** | | | | | | | |
| Considered good - Secured | 103.66 | 1,695.13 | 260.39 | 99.59 | 3.64 | - | 2,162.41 |
| Considered good - Unsecured | 2,122.87 | 3,006.94 | 111.36 | 42.44 | 0.81 | - | 5,284.42 |
| **ii) Disputed Trade receivables** | | | | | | | |
| Considered good - Secured | - | - | - | 0.08 | 0.31 | 1,529.23 | 1,529.62 |
| Considered good - Unsecured | - | - | 0.02 | 8.50 | 27.08 | 1,461.24 | 1,496.84 |
| **Total Trade receivables** | **2,226.53** | **4,702.07** | **371.77** | **150.61** | **31.84** | **2,990.47** | **10,473.29** |
| Less: Allowance for expected credit loss | | | | | | | (1,810.40) |
| **Net Trade receivables** | **2,226.53** | **4,702.07** | **371.77** | **150.61** | **31.84** | **2,990.47** | **8,662.89** |

(vi) Expected credit loss model

The Group considers the profile of each customers and the credit worthiness in determining the credit losses of Trade receivabes. The provision has been made based upon expected credit loss on the basis of past trend and also based on the provision policy framed by the management after adjusting the market value of the security taken from the customers in the form of mortgage property and bank guarantee.

(vii) Movement in the allowances for expected credit loss:

| Particulars | For the Year ended March 31, 2024 | For the Year ended March 31, 2023 |
|---|---|---|
| Balance at beginning of the year | 1,810.40 | 1,810.40 |
| Movement in expected credit loss allowance on trade receivables | | |
| Less: Bad debts written off from opening provision | - | - |
| Add: Allowance for Expected Credit Loss | 129.08 | - |
| **Balance at end of the year** | **1,939.48** | **1,810.40** |

### Note No. 13 Cash and cash equivalents

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Cash on hand | 2.72 | 2.94 |
| **Balances with banks:** | | |
| In current accounts | 36.38 | 36.66 |
| Deposits with original maturity of less than three months | - | 780.00 |
| **Total** | **39.10** | **819.60** |

**13A For Statement of Cash flow, cash and cash equivalents comprise of the following:**

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Cash in hand | 2.72 | 2.94 |
| Balances with banks: | | |
| In current accounts | 36.38 | 36.66 |
| Deposits with original maturity of less than three months | - | 780.00 |
| Less: Cash Credit Facilities | 343.11 | 427.06 |
| **Total** | **(304.01)** | **392.54** |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENT

(All amounts are in ₹ Lakhs)

**Note No. 14** **Other balances with bank**

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Earmarked balances: | | |
| Unclaimed dividend account | 71.43 | 71.70 |
| Balances with banks: | | |
| Deposits with original maturity of more than 3 months but less than 12 months (Refer note (a) below) | 1,590.77 | 1,678.57 |
| **Total** | **1,662.20** | **1,750.27** |

**Notes:**

(a) Fixed Deposit of Rs. 566.57 Lakhs (As at Mar 31, 2023: Rs. 466.57 Lakhs are pledged against bank guarantees [Refer Note 33(b)]

**Note No. 15** **Equity Share capital**

| a. Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **Authorised :** | | |
| 6,00,00,000 equity shares of Rs.10/- each | 6,000.00 | 6,000.00 |
| (March 31, 2023 : 6,00,00,000 equity shares of Rs.10/- each) | | |
| 5,00,000 Preference shares of Rs.10/- each | 500.00 | 500.00 |
| (Mar 31, 2023 : 5,00,000 Preference shares of Rs.10/- each) | | |
| **Issued :** | | |
| 4,14,26,779 equity shares of Rs.10 each | 4,142.68 | 4,142.68 |
| (March 31, 2023: 4,14,26,779 equity shares of Rs.10/- each) | | |
| **Subscribed and fully paid up:** | | |
| 4,14,26,779 equity shares of Rs.10 each | 4,142.68 | 4,142.68 |
| (March 31, 2023: 4,14,26,779 equity shares of Rs.10/- each) | | |

**Terms and rights attached to equity shares:**

The Group has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The Group 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 ensuing Annual General Meeting, except in the case of interim dividend.

In the event of liquidation of the Group, the holders of equity shares will be entitled to receive remaining assets of the Group, after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholder.

**b. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year**

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|---|---|---|---|---|
| | Number of shares | Amount | Number of shares | Amount |
| **Equity shares with Voting rights** | | | | |
| At the beginning of the year | 4,14,26,779 | 4,142.68 | 4,14,26,779 | 4,142.68 |
| Movement during the year | - | - | - | - |
| At the end of the year | 4,14,26,779 | 4,142.68 | 4,14,26,779 | 4,142.68 |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENT

(All amounts are in ₹ Lakhs)

**c. Shares held by holding company**

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|---|---|---|---|---|
| | Number of shares | Amount | Number of shares | Amount |
| **Equity shares of Rs.10 each with Voting rights** | | | | |
| Aquavista Enterprises Private Limited (formerly known as Nav Srijit Shakthi Telangana Private Limited) | 2,19,34,545 | 2,193.45 | 2,19,34,545 | 2,193.45 |

**d. Details of shareholders holding more than 5% shares in the company**

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|---|---|---|---|---|
| | Number of shares | % of holding in that class of shares | Number of shares | % of holding in that class of shares |
| Equity shares of Rs.10 each with Voting rights | | | | |
| Aquavista Enterprises Private Limited (formerly known as Nav Srijit Shakthi Telangana Private Limited) | 2,19,34,545 | 52.95% | 2,19,34,545 | 52.95% |
| Karam Chand Thapar & Bros. (Coal Sales) Limited | 32,41,719 | 7.83% | 32,41,719 | 7.83% |
| KCT Financial & Management Services Private Limited | 30,25,861 | 7.30% | 30,25,861 | 7.30% |

**e. Aggregate Number of Shares allotted as fully paid-up pursuant to a Scheme of Amalgamation without payment being received in cash during the five years immediately preceding the Balance Sheet date**

| Particulars | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2020 | As at March 31, 2019 |
|---|---|---|---|---|---|---|
| Issued, Subscribed and Fully Paid-Up | | | | | | |
| Equity shares of Rs. 10 each with Voting rights | | | | | | |
| Number of Shares | 28,23,529 | 28,23,529 | 28,23,529 | 28,23,529 | 28,23,529 | 28,23,529 |

**f. Details of shares held by promoters at the end of the year**

**Disclosure of shares held by promoters and Promoters Group as at Mar 31, 2024 and Mar 31, 2023 is as follows -**

| Promoter name | As at March 31, 2024 | | As at March 31, 2023 | | % change during the year |
|---|---|---|---|---|---|
| | No.of Shares | % of total shares | No.of Shares | % of total shares | |
| **Equity shares of Rs.10 each with Voting rights** | | | | | |
| Vikramaditya Mohan Thapar | 53,750 | 0.13% | 53,750 | 0.13% | 0.00% |
| Jyoti thapar | 73,500 | 0.18% | 73,500 | 0.18% | 0.00% |
| Varun aditya thapar | 1,69,800 | 0.41% | 1,69,800 | 0.41% | 0.00% |
| Nitasha thapar | 51,875 | 0.13% | 51,875 | 0.13% | 0.00% |
| Ayesha thapar | 51,875 | 0.13% | 51,875 | 0.13% | 0.00% |
| Aquavista Enterprises Private Limited (formerly known as Nav Srijit Shakthi Telangana Private Limited) | 2,19,34,545 | 52.95% | 2,19,34,545 | 52.95% | 0.00% |
| Karam Chand Thapar & Bros. (Coal Sales) Limited | 32,41,719 | 7.83% | 32,41,719 | 7.83% | 0.00% |
| KCT Financial & Management Services Private Limited | 30,25,861 | 7.30% | 30,25,861 | 7.30% | 0.00% |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENT

(All amounts are in ₹ Lakhs)

**Note No. 16 Other Equity**

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Securities premium | 1,473.49 | 1,473.49 |
| Capital reserve | 1,026.10 | 1,026.10 |
| General reserve | 1,315.07 | 1,315.07 |
| Retained earnings | 9,297.42 | 10,313.57 |
| **Total** | **13,112.08** | **14,128.23** |

**a. Securities premium**

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Opening Balance | 1,473.49 | 1,473.49 |
| Movement during the year | - | - |
| **Closing Balance** | **1,473.49** | **1,473.49** |

**b. Capital reserve**

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Opening Balance | 1,026.10 | 1,026.10 |
| Movement during the year | - | - |
| **Closing Balance** | **1,026.10** | **1,026.10** |

**c. General reserve**

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Opening Balance | 1,315.07 | 1,315.07 |
| Movement during the year | - | - |
| **Closing Balance** | **1,315.07** | **1,315.07** |

**d. Retained earnings**

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Opening Balance | 10,313.57 | 10,642.91 |
| Loss for the year | (1,045.16) | (347.70) |
| Other Comprehensive Income for the year (net of tax) | 29.00 | 18.36 |
| **Closing Balance** | **9,297.42** | **10,313.57** |

**Notes:**

**(i) Securities premium account:**

Securities premium is used to record premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Indian Companies Act, 2013 (the "Companies Act").

**(ii) Capital reserve**

Capital reserve represents a resource created by accumulated capital surplus and remain invested in the business for set off against any capital expenditure. This will not be distributed as dividends. The Group recognizes profit or loss on purchase, sale, issue or cancellation of the Group's own equity instruments to capital reserve.

**(iii) General reserve**

Under the erstwhile Companies Act 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, the requirement to mandatorily transfer a specified percentage of net profit to general reserve has been withdrawn.

**(iv) Retained earnings**

Retained earnings comprises of the Group's undistributed earnings after taxes.. Such appropriations are free in nature.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENT

(All amounts are in ₹ Lakhs)

### Note No. 17 Provisions

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **A. Non-current** | | |
| Provision for employee benefits: | | |
| Gratuity [Refer note 39] | 187.71 | 164.99 |
| Compensated absences [Refer note 39] | 119.81 | 110.78 |
| **Total** | **307.52** | **275.77** |
| **B. Current** | | |
| Provision for employee benefits: | | |
| Compensated absences [Refer note 39] | 22.83 | 21.59 |
| Provision for Statutory authorities : | | |
| Customs duty [Refer note below] | 6.66 | 17.34 |
| **Total** | **29.49** | **38.93** |

**Note:**

Represents Customs duty provision made for expected demand to be received from the department for short assessment and short payment of custom duty on imports made by the Group. Outflow of the same is expected within next 12 months.

Movement of provision for Custom Duty is as follows:

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Opening Balance | 17.34 | 17.34 |
| Add: Fresh provision | - | - |
| Less: Utilisation | 10.68 | - |
| **Closing Balance** | **6.66** | **17.34** |

### Note No. 18 Current Borrowings

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **Current** | | |
| From Banks | | |
| Cash credit facilities | 343.11 | 427.06 |
| Working capital demand loan | 2,250.00 | 2,985.00 |
| Pre-Shipment credit in foreign currency | - | 357.81 |
| **Total** | **2,593.11** | **3,769.87** |

**Nature of security provided:**

Borrowings are secured by hypothecation of present and future stock of raw materials, work in progress, finished goods, stores and spares and debtors. Equitable mortgage over the factory land and building of the Group at Nellore and charge over property, plant and equipment of the Group, excluding vehicles.

### Note No. 19 Trade payables

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Trade payables to micro enterprises and small enterprises (Refer note 36) | 230.05 | 328.44 |
| **Sub Total (A)** | **230.05** | **328.44** |
| Trade payables other than micro enterprises and small enterprises | | |
| Related Parties | 58.34 | 106.82 |
| Others | 2,878.21 | 4,122.71 |
| **Sub Total (B)** | **2,936.55** | **4,229.53** |
| **Total (A + B)** | **3,166.60** | **4,557.97** |

(All amounts are in ₹ Lakhs)

**Ageing schedule of trade payables as on Mar 31, 2024 outstanding from due date of payments is as follows -**

| Particulars | Not due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|---|---|---|---|---|---|---|
| i) MSME | 229.79 | 0.26 | - | - | - | **230.05** |
| ii) Others | 1,729.57 | 1,143.15 | 23.25 | 10.40 | 30.18 | **2,936.55** |
| iii) Disputed dues - MSME | - | - | - | - | - | **-** |
| iv) Disputed dues - Others | - | - | - | - | - | **-** |
| **Total** | **1,959.36** | **1,143.41** | **23.25** | **10.40** | **30.18** | **3,166.60** |

**Ageing schedule of trade payables as on Mar 31, 2023 outstanding from due date of payments is as follows -**

| Particulars | Not due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|---|---|---|---|---|---|---|
| i) MSME | 328.44 | - | - | - | - | **328.44** |
| ii) Others | 2,341.58 | 1,842.76 | 14.93 | 4.97 | 25.29 | **4,229.53** |
| iii) Disputed dues - MSME | - | - | - | - | - | **-** |
| iv) Disputed dues - Others | - | - | - | - | - | **-** |
| **Total** | **2,670.02** | **1,842.76** | **14.93** | **4.97** | **25.29** | **4,557.97** |

**Notes:**

(i) Refer Note 40 for information on Liquidity risk and market risk of Trade Payables.

(ii) Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the auditors. (Refer Note 36)

## Note No. 20 Other financial liabilities

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **Current** | | |
| Liabilities for discount & schemes / Others | 298.25 | 765.86 |
| Payable to employees | 144.57 | 402.31 |
| Unclaimed dividend # | 71.43 | 71.70 |
| Payables on purchase of property plant and equipments | 114.89 | 153.99 |
| **Total** | **629.14** | **1,393.86** |

# During the year ended Mar 31, 2024, the Group was not required to transfer any unclaimed dividend to the Investor Education and Protection Fund under Section 125 of The Companies Act, 2013 (for the year ended Mar 31, 2023: Rs. 8.73 Lakhs was transferred to Investor Education and Protection Fund).

## Note No. 21 Other liabilities

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Current | | |
| Statutory remittances | 75.85 | 85.45 |
| Advances from customers | 117.39 | 154.81 |
| Others | 26.28 | 21.00 |
| **Total** | **219.52** | **261.26** |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENT

(All amounts are in ₹ Lakhs)

**Note No. 22 Revenue from operations**

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **Revenue from operations** | | |
| (a) Manufactured | 32,106.40 | 28,907.10 |
| (b) Traded | 987.54 | 1,193.63 |
| **Revenue from services** | | |
| (a) Rental income | - | 0.42 |
| **Other operating revenues** | | |
| (a) Export incentives | 750.37 | 153.92 |
| (b) Scrap sales | 75.62 | 103.39 |
| (c) Others | 5.38 | 49.37 |
| **Total** | **33,925.31** | **30,407.83** |

* The entire revenue is being recorded at a point in time.

**A. Revenue from Operations disaggregated on the basis of geographical region and product lines is presented below:**

**For the year ended March 31, 2024**

| Particulars | India | Outside India | Total |
|---|---|---|---|
| Manufactured | 19,365.72 | 12,740.68 | 32,106.40 |
| Traded | 987.54 | - | 987.54 |
| **Total** | **20,353.26** | **12,740.68** | **33,093.94** |

For the year ended Mar 31, 2023

| Particulars | India | Outside India | Total |
|---|---|---|---|
| Manufactured | 25,946.44 | 2,960.66 | 28,907.10 |
| Traded | 1,193.63 | - | 1,193.63 |
| **Total** | **27,140.08** | **2,960.66** | **30,100.73** |

**B Reconciliation of gross revenue with the revenue from contracts with customers:**

| Particulars | 2023-24 | 2022-23 |
|---|---|---|
| Gross revenue | 35,209.48 | 32,061.74 |
| Less: Incentives and discounts | 1,284.17 | 1,653.91 |
| **Net revenue recognised from contracts with customers** | **33,925.31** | **30,407.83** |

**C The Group has recognised the following revenue-related contract liabilities and receivables from contract with customers-**

| Particulars | 2023-24 | 2022-23 |
|---|---|---|
| Contract liabilities - Advance from customers [Refer note 21] | 117.39 | 154.81 |

The change in Contract liabilities are as follows:

| Particulars | 2023-24 | 2022-23 |
|---|---|---|
| Contract liabilities - Opening | 154.81 | 107.25 |
| Add: Additions during the year, excluding amounts recognised as revenue during the year | 92.34 | 144.48 |
| Less: Revenue recognised in the current year which was included in Contract Liabilities | (129.76) | (96.92) |
| **Contract liabilities - Closing** | **117.39** | **154.81** |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENT

(All amounts are in ₹ Lakhs)

| Particulars | 2023-24 | 2022-23 |
|---|---|---|
| Trade receivables-Gross | 6,194.61 | 10,473.29 |
| Less: Allowance for expected credit loss | 1,939.48 | 1,810.40 |
| **Total** | **4,255.13** | **8,662.89** |

### Note No. 23 Other Income

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Interest Income | | |
| (a) On deposits carried at amortised cost | 148.53 | 138.60 |
| (b) On Income tax refund | 72.51 | - |
| (c) Others | 43.13 | 6.32 |
| Net profit on sale of property plant and equipment | - | 54.11 |
| Liability no longer required written back | 36.98 | 13.67 |
| Recovery of bad debts earlier written off | 3.95 | 17.34 |
| Profit on sale of mutual fund | - | 20.24 |
| Others | 3.11 | 14.16 |
| **Total** | **308.21** | **264.44** |

### Note No. 24 Cost of materials consumed

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Opening stock | 2,999.81 | 3,770.20 |
| Add: Purchases | 25,845.55 | 23,847.90 |
| | 28,845.36 | 27,618.10 |
| Less: Closing stock | 2,179.36 | 2,999.81 |
| **Total consumption of raw materials** | **26,666.00** | **24,618.29** |

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| **Details of materials consumed** | | |
| Soya | 2,810.06 | 3,731.74 |
| Fish meal | 3,343.75 | 4,783.40 |
| Raw shrimps | 11,611.08 | 4,679.75 |
| Other materials | 8,901.11 | 11,423.40 |
| **Total** | **26,666.00** | **24,618.29** |

### Note No. 25 Purchase of stock-in-trade

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Farmcare , processed crabs and others | 446.68 | 386.24 |
| **Total** | **446.68** | **386.24** |

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| **Details of Purchase of stock-in-trade** | | |
| BayLife VC-9 (10kg) | 140.45 | 151.48 |
| Baylife Baymin | 104.22 | 114.07 |
| Other materials | 202.01 | 120.69 |
| **Total** | **446.68** | **386.24** |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENT

(All amounts are in ₹ Lakhs)

### Note No. 26 Changes in inventories of finished goods, work in progress, stock in trade and biological assets

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| **Inventories at the end of the year :** | | |
| (a) Finished goods | 4,950.34 | 3,509.41 |
| (b) Work-in-progress | 458.74 | 384.27 |
| (c) Stock-in-trade | 147.80 | 74.77 |
| (d) Biological assets | - | 18.25 |
| | **5,556.88** | **3,986.70** |
| **Inventories at the beginning of the year :** | | |
| (a) Finished goods | 3,509.41 | 835.17 |
| (b) Work-in-progress | 384.27 | 106.19 |
| (c) Stock-in-trade | 74.77 | 129.40 |
| (d) Biological assets | 18.25 | 0.24 |
| | **3,986.70** | **1,071.00** |
| **Increase in Inventories** | **(1,570.18)** | **(2,444.64)** |

### Note No. 27 Employee benefits expense

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Salaries, wages and bonus | 2,313.47 | 2,410.02 |
| Contribution to provident, gratuity and other funds [Refer note 39] | 171.43 | 163.00 |
| Staff welfare expenses (refer note 46) | 173.07 | 240.96 |
| **Total** | **2,657.97** | **2,813.98** |

### Note No. 28 Finance costs

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Interest on borrowings | 189.10 | 134.77 |
| Interest on others | 11.92 | - |
| Other borrowing costs | 92.88 | 64.98 |
| Interest on lease liabilities (Refer note 4) | 6.75 | 11.22 |
| **Total** | **300.65** | **210.97** |

### Note No. 29 Depreciation and amortization expenses

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Depreciation on property, plant and equipment (Refer note 3(a)) | 884.35 | 822.75 |
| Amortisation on Right to Use Asset (Refer note 4) | 46.93 | 50.61 |
| Amortization on intangible assets (Refer note 5) | 20.44 | 21.17 |
| **Total** | **951.73** | **894.53** |

# NOTES TO CONSOLIDATED FINANCIAL STATEMENT

(All amounts are in ₹ Lakhs)

**Note No. 30** **Other expenses**

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Consumption of stores and spares | 506.79 | 507.33 |
| Power and fuel | 851.35 | 692.66 |
| Rent (Refer note 4) | 134.43 | 43.12 |
| Processing charges | 247.84 | 2.22 |
| Export commission | 214.97 | 40.61 |
| Repairs and maintenance: | | |
| Plant and machinery | 46.11 | 44.45 |
| Buildings | 22.03 | 9.13 |
| Others | 171.41 | 191.05 |
| Vehicle maintenance | 21.02 | 15.94 |
| Contract labour | 964.61 | 673.09 |
| Security charges | 92.15 | 83.99 |
| Insurance | 64.05 | 63.38 |
| Rates and taxes | 60.14 | 35.18 |
| Freight outward | 640.20 | 317.96 |
| Selling expenses | 86.83 | 184.93 |
| Payment discount | 741.08 | 612.15 |
| Professional charges | 255.14 | 364.53 |
| Secretarial expenses | 27.29 | 18 |
| Travelling expenses | 399.17 | 358.70 |
| Business communication expenses | 27.67 | 27.07 |
| Auditors' remuneration (excluding indirect tax): | | |
| (i) As auditors - audit fees | 13.11 | 13.11 |
| (ii) For other services | | |
| (a) Tax audit fees | 1.50 | 1.50 |
| (b) Limited Review and Other Services | 8.00 | 8.00 |
| (iii) For reimbursement of expenses | 0.93 | 0.06 |
| Corporate social responsibility expenses [Refer note 35] | 6.18 | 29.25 |
| Directors' commission | - | 0.00 |
| Directors' sitting fees | 10.50 | 10.50 |
| Net loss on foreign currency transactions | 10.82 | 24.65 |
| Net loss on sale of property plant and equipment | 0.49 | 6.53 |
| Advances written off | 30.08 | - |
| (Reversal of provision) / Provisions for doubtful advances | (30.08) | - |
| Allowance for expected Credit Loss | 129.08 | - |
| Advertisement and Business Promotion | 84.98 | 118.51 |
| Miscellaneous expenses | 266.57 | 132.01 |
| **Total** | **6,106.44** | **4,629.88** |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENT

(All amounts are in ₹ Lakhs)

### Note No. 31 Tax expenses

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| **31.a.Income tax recognised in Consolidated Statement of Profit and Loss** | | |
| **Current tax** | | |
| In respect of current year | - | - |
| | **-** | **-** |
| **31.b.Deferred tax recognised in Consolidated Statement of Profit and Loss** | | |
| **Deferred tax** | | |
| In respect of current year | (280.61) | (89.28) |
| **Total** | **(280.61)** | **(89.28)** |

**Note:** Reconciliation of the accounting profit to the income tax expense for the year is summarised below:

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| **(Loss) / Profit before tax** | **(1,325.77)** | **(436.98)** |
| Income tax expense calculated at 25.168% | (333.69) | (109.98) |
| Effect of losses of subsidiary not subject to tax | 0.39 | 0.23 |
| Effect of expenses that are not deductible in determining taxable profit | 1.55 | 5.99 |
| On account of difference in the carry forward losses based on return filed | 51.14 | 17.27 |
| On account of difference on capital gains taxes | - | (2.79) |
| **Total** | **(280.61)** | **(89.28)** |

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| **31.c. Income tax recognised in other comprehensive income** | | |
| **Deferred tax** | | |
| Arising on remeasurement gain on defined benefit plans | 9.76 | 6.18 |
| **Total** | **9.76** | **6.18** |

### Note No. 32 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Group by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Group by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Loss after tax | (1,045.16) | (347.70) |
| Weighted Average Number of Equity Shares for Basis EPS | 4,14,26,779 | 4,14,26,779 |
| Weighted Average Number of Equity Shares for Diluted EPS | 4,14,26,779 | 4,14,26,779 |
| Face Value of Share (Rs.) | 10 | 10 |
| Earnings Per Share - Basic (Rs.) | (2.52) | (0.84) |
| Earnings Per Share - Diluted (Rs.) | (2.52) | (0.84) |

### Note No. 33 Contingent Liabilities

The Group is involved in a number of judicial, appellate and arbitration proceedings (including those described below) concerning matters arising in the course of conduct of the Group's businesses. A summary of claims asserted on the Group in respect of these cases have been summarised below.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENT

(All amounts are in ₹ Lakhs)

**a. Tax contingencies**

Amounts in respect of claims asserted by various revenue authorities on the Group, in respect of taxes, which are in dispute, have been tabulated below:

| Nature of Tax | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Custom duty | 535.36 | 535.36 |
| Excise duty | 57.58 | 57.58 |
| Service tax | 2.99 | 2.99 |
| Sales tax | 15.33 | 15.33 |
| Income tax | 80.96 | 80.96 |
| Goods & Service Tax | 539.72 | - |

**b. Financial Guarantee**

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Bank Guarantee to Commissioner of Customs (India), US Customs & Border Protection | 348.27 | 503.84 |

**c.** In respect of the Contingent Liabilities mentioned in Note 33.a above pending resolution of the respective proceedings, it is not practicable for the Group to estimate the timings of cash outflows, if any. In respect of matters mentioned in Note 33.b above, the cash outflows, if any, could generally occur during the validity period of the respective guarantees in the event of default, if any, by the concerned beneficiaries. The Group does not expect any reimbursements in respect of the above contingent liabilities.

**d.** Refer Note.12(v) for disputed dues from customers which are at various stages of arbitration/legal proceedings. The Company duly considering the securities received, believes that no further adjustment is required in respect of these dues and expects a favourable outcome on completion of the proceedings.

### Note No. 34 Commitments

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Estimated amount of contracts remaining to be executed on Capital Account and not provided for [Net of advances Rs.171.28 Lakhs ; as at Mar 31, 2023 Rs. 25.18 Lakhs] | 620.32 | 112.96 |

### Note No. 35 Details of Corporate Social Responsibility expenditure

During the year, the Group has spent towards Corporate Social Responsibility (CSR) as mentioned under section 135 of the Companies Act, 2013 read with relevnt schedule and rules made thereunder. The details of the CSR spend are given below:

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Gross amount required to be spent by the Group during the year | 6.18 | 29.25 |
| Amount spent during the year # | | |
| (i) Construction/acquisition of any assets | 6.18 | 29.25 |
| Reason for shortfall | NA | NA |
| Nature of CSR activities | Promotion of Education | Promotion of Education |

# spent by KCT Group Trust (KMP having significant influence) towards various schemes of Corporate Social Responsibility (CSR) as prescribed under Section 135 of the Companies Act, 2013

### Note No. 36 Dues to Micro and Small Enterprises

Based on and to the extend of information received by the company from the suppliers during the year regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the relevant particulars are furnished below for the year ended 2024.

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

## NOTES TO CONSOLIDATED FINANCIAL STATEMENT

(All amounts are in ₹ Lakhs)

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| (a) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at end of the year | 230.05 | 328.44 |
| (b) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at the end of the year | - | - |
| (c) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year | - | - |
| (d) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year | - | - |
| (e) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year | - | - |
| (f) Interest due and payable towards suppliers registered under MSMED Act, for payments already made | - | - |
| (g) Further interest remaining due and payable for earlier years | - | - |

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management.

### Note No. 37 Segment information

During the year, the Group has commenced reporting of segment information as per Ind As-108 "Operating Segments". The Identification of operating Segments is based on and consistent with performance assessment and resources allocation by the Chief Operating Decision Maker.

The Group principally engaged in the business of Shrimp Feed & Farmcare, Processed Shrimp, Others. The financial performance relating to these business segments are evaluated regularly by the Chief Executive Officer (Chief Operating Decision Maker). Sale outside India is exceeded the reportable threshold limit, thus geographical segment information is given as follows -

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Revenue from Operations | | |
| (a) Within India | 21,184.63 | 27,447.17 |
| (b) Outside India | 12,740.68 | 2,960.66 |
| **Total** | **33,925.31** | **30,407.83** |

| Particulars | Shrimp Feeds | | Processed Shrimp | | Others | | Unallocable | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 31-Mar-24 | 31-Mar-23 | 31-Mar-24 | 31-Mar-23 | 31-Mar-24 | 31-Mar-23 | 31-Mar-24 | 31-Mar-23 | 31-Mar-24 | 31-Mar-23 |
| **(A) Revenue** | | | | | | | | | | |
| External Sales | 20,250.54 | 26,996.00 | 13,497.95 | 3,103.10 | 176.82 | 308.73 | - | - | 33,925.31 | 30,407.83 |
| Inter-segment sales | - | - | - | - | - | - | - | - | - | - |
| **Total Revenue** | **20,250.54** | **26,996.00** | **13,497.95** | **3,103.10** | **176.82** | **308.73** | **-** | **-** | **33,925.31** | **30,407.83** |
| **(B) Segment Result** | | | | | | | | | | |
| Operating Profit | (52.17) | 745.49 | (872.80) | (742.64) | (178.43) | (217.90) | 78.26 | (10.97) | (1,025.13) | (226.01) |
| Other Income | 63.29 | 103.85 | 20.84 | - | 0.44 | 0.00 | 223.65 | 160.59 | 308.21 | 264.44 |
| Interest Expense | 9.66 | 11.94 | 35.78 | 10.22 | 0.03 | 0.35 | 255.17 | 188.46 | 300.64 | 210.97 |
| Income tax - Current year & previous year | - | - | - | - | - | - | - | - | - | - |
| - Deferred Tax | - | - | - | - | - | - | (280.61) | (89.28) | (280.61) | (89.28) |
| **Net Profit/(Loss)** | **(61.83)** | **733.55** | **(908.58)** | **(752.86)** | **(178.46)** | **(218.25)** | **(176.90)** | **(199.42)** | **(1,325.77)** | **(436.98)** |
| **(C) Other Information** | | | | | | | | | | |
| Segment Assets | 11,456.82 | 17,456.44 | 8,228.64 | 5,394.05 | 1,531.27 | 1,657.06 | 3,030.98 | 4,158.97 | 24,247.71 | 28,666.52 |
| Segment Liabilities | 3,033.10 | 5,181.30 | 1,073.81 | 1,115.39 | 22.36 | 37.25 | 2,863.68 | 4,061.67 | 6,992.95 | 10,395.61 |
| **Capital Employed** | **8,423.72** | **12,275.14** | **7,154.83** | **4,278.66** | **1,508.91** | **1,619.80** | **167.30** | **97.30** | **17,254.76** | **18,270.91** |

**Nature of the Segment**

i) Shrimp Feed is manufactured & marketed to the farmers, which is used in Aqua culture to grow shrimp.

ii) Processed Shrimps are packed and sold it to the export market customer.

iii) Others include production and sale of shrimp seeds to aqua farmers & Frozen Foods are sold domestically.

(All amounts are in ₹ Lakhs)

**Notes**

1) Unallocable corporate income includes majorly interest income & Unallocable expenditure majorily includes Finance Cost, secretarial cost, Professional charges & Corporate Social Responsibility expenses not allocated to segments. Un-allocable corporate assets comprises majorily bank balances, deposits & deffered tax assets. Un allocated Liabilites comprises majorily borrowings.

2) It is to be noted that all Non-Currents Assets are situated in India.

## Note No. 38 Related Party Disclosures

| S. No. | Name of the Related Party | Relationship |
|---|---|---|
| 1 | Aquavista Enterprises Private Limited* | Holding Company |
| 2 | Karam Chand Thapar & Bros. (Coal Sales) Limited | Entity under Common Control |
| 3 | KCT Financial & Management Services Private Limited | Entity under Common Control |
| 4 | Avitech Nutrition Private Limited | Entity over which director can exercise Control |
| 5 | Handy Waterbase India Private Limited | Joint Venture of Entity under common Control. |
| 6 | Mr.Vikramaditya Mohan Thapar | Non-Executive Director and Chairman (till August 04, 2023) and<br>Chairman Emiretus from August 05, 2023) |
| 7 | Mr.Varun Aditya Thapar | Non-Executive Director and Chairman from August 05, 2023 |
| 8 | Ms.Nitasha Thapar | Non-Executive Director |
| 9 | Mr.Anil Kumar Bhandari | Non-Executive Independent Director (retired on May 14, 2024) |
| 10 | Mr.Rahul Kapur | Non-Executive Independent Director |
| 11 | Mrs.Shashikala Venkatraman | Non-Executive Independent Director |
| 12 | Mr. Rahul Chandrasingh Mehta | Non-Executive Independent Director (from October 26, 2023) |
| 13 | Mr.Ranjit Mehta | Non-Executive Independent Director (till February 08, 2023) |
| 14 | Mr. Ramakanth V Akula | Chief Executive Officer |
| 15 | Mr. R. Sureshkumar | Chief Financial Officer |
| 16 | Mr.T.B.Srikkanth | Company Secretary & compliance officer (till August 19, 2022) |
| 17 | Mr.A .Bala | Company Secretary & compliance officer (from February 08, 2023) |
| 18 | KCT Group trust | Entity in which KMP has significant influence |
| 19 | TWL Employees Gratuity Trust | Post-employment benefit plan |

**Transactions during the year**

| Particulars | Name of the Related party | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|---|
| Purchase of goods | Avitech Nutrition Private Limited | 189.83 | 132.20 |
| | Handy Waterbase India Private Limited | 51.03 | 30.42 |
| Service provided | Karam Chand Thapar & Bros. (Coal Sales) Limited | 3.05 | 2.07 |
| Service received | Karam Chand Thapar & Bros. (Coal Sales) Limited | 57.54 | 34.45 |
| | KCT Financial & Management Services Private Limited | - | 8.86 |
| | Handy Waterbase India Private Limited | 2.94 | - |
| Acquisition of property, plant and equipments | KCT Group trust | 71.00 | - |
| Advance Given | Handy Waterbase India Private Limited | - | 2.52 |
| Payment made for acquisition of property, plant and equipment | KCT Group trust | 7.10 | |
| Rent paid | Karam Chand Thapar & Bros. (Coal Sales) Limited | 35.68 | 35.68 |
| Paid for test charges | KCT Group trust | 1.19 | 3.80 |
| Payments towards CSR | KCT Group trust | 6.18 | 29.00 |
| Remuneration | Mr. Ramakanth V Akula | 191.75 | 197.21 |
| | Mr. R. SureshKumar | 82.54 | 86.46 |
| | Mr. T.B Srikkanth | - | 8.15 |
| | Mr. Bala Arumugam | 16.58 | 6.79 |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENT

(All amounts are in ₹ Lakhs)

**Related Party Disclosures**

| Particulars | Name of the Related party | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|---|
| Directors' Sitting Fees | Mr. Vikramaditya Mohan Thapar | 0.30 | 0.90 |
| | Mr. Varun Aditya Thapar | 2.00 | 2.00 |
| | Mr. Rahul Kapur | 2.30 | 1.80 |
| | Mr. Anil Kumar Bhandari | 2.00 | 2.30 |
| | Ms. Nitasha Thapar | 1.20 | 0.30 |
| | Mr. Ranjit Mehta | - | 2.00 |
| | Mr. Rahul Chandrasingh Mehta | 0.90 | - |
| | Mrs. Shashikala Venkatraman | 1.80 | 1.20 |

**Balances as at the end of the year**

| Particulars | Name of the Related party | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|---|
| Trade Payables | Handy Waterbase India Private Limited | 4.57 | - |
| | Avitech Nutrition Private Limited | 53.78 | 106.82 |
| Payables on purchase of property plant and equipments | KCT Group Trust | 63.90 | - |
| Advance Receivable | Handy Waterbase India Private Limited | - | 1.33 |
| | Karam Chand Thapar & Bros. (Coal Sales) Limited | 0.43 | - |
| Other advance receivable | TWL Employees Gratuity Trust | 0.12 | 0.12 |

**Terms and conditions of transactions with related parties**

The purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided for any related party payables.

The remuneration of key management personnel during the year was as follows:

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Short-term benefits | 278.23 | 286.36 |
| Post-employment benefits ## | 12.64 | 12.25 |

* Formerly known as Nav Srijit Shakti Telangana Private Limited

## As the liabilities for gratuity and compensated absences are provided on actuarial basis for the Group as a whole, the amounts pertaining to KMP are not separately avalaible hence not included.

**Note No. 39 Employee benefit plans**

**Defined contribution plans**

The Group participates in a number of defined contribution plans on behalf of relevant personnel. Any expense recognised in relation to these schemes represents the value of contributions payable during the year by them at rates specified by the rules of those plans. The only amounts included in the balance sheet are those relating to the prior month's contributions that were not due to be paid until after the end of the reporting period.

The Group contributes to employee state insurance funds for eligible employees covered under Employee State Insurance Act, 1948 and other labour welfare funds and has recognised, in the Statement of Profit and Loss for the year ended Mar 31, 2024, an amount of Rs. 1.72 Lakhs (for the year ended Mar 31, 2023 Rs. 1.24 Lakhs) as expenses under the said defined contribution plans.

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Contribution to employee state insurance fund | 1.58 | 1.04 |
| Contribution to other labour welfare fund | 0.14 | 0.20 |
| **Total** | **1.72** | **1.24** |

(All amounts are in ₹ Lakhs)

**Provident Fund**

In accordance with Indian law, eligible employees of the Group are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Group make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary). During the year, the Group has recognised Rs. 108.23 Lakhs (for the year ended Mar 31, 2023 Rs. 103.87 Lakhs) as contribution in the Consolidated Statement of Profit and Loss Account.

The Group offers the following employee benefit schemes to its employees:

**Defined benefit plans**

i. Gratuity

**Other long term employee benefits**

i. Compensated absences

**i) Defined Benefit Plan -Gratuity:**

The following table sets out the funded status of the defined benefit plans and unfunded status other long term benefits and the amount recognised in the financial statements:

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| **Components of employer expense** | | |
| Current service cost | 51.61 | 48.75 |
| Interest cost | 22.14 | 19.84 |
| Expected return on plan assets | (10.40) | (10.70) |
| **Total expense recognised in the Consolidated Statement of Profit and Loss Account** | **63.35** | **57.89** |
| Actuarial losses / (gains) | | |
| Return on Plan Assets (excluding interest income) | 1.68 | 2.18 |
| Actuarial losses / (gains) arising from changes in demographic assumptions | - | - |
| Actuarial losses / (gains) arising from changes in financial assumptions | 3.29 | (4.79) |
| Actuarial losses / (gains) arising from changes in experience adjustments | (43.73) | (21.93) |
| Total expense recognised in the Consolidated Other Comprehensive Income | (38.76) | (24.54) |
| **Total expense recognised in the Consolidated total Comprehensive Loss** | **24.59** | **33.35** |
| **Actual contribution and benefit payments for year** | | |
| Actual benefit payments | 24.35 | 16.90 |
| Actual contributions | 1.86 | 1.95 |
| **Net asset / (liability) recognised in the Consolidated Balance Sheet** | | |
| Present value of defined benefit obligation | 330.35 | 321.39 |
| Fair value of plan assets | 142.64 | 156.40 |
| Status [Surplus / (Deficit)] | (187.71) | (164.99) |
| Unrecognised past service costs | - | - |
| Net liability recognised in the Consolidated Balance Sheet | (187.71) | (164.99) |
| **Change in defined benefit obligations (DBO) during the year** | | |
| Present value of DBO at beginning of the year | 321.39 | 296.42 |
| Current service cost | 51.61 | 48.75 |
| Interest cost | 22.14 | 19.84 |
| Actuarial losses / (gains) | (40.44) | (26.72) |
| Past service cost | | |
| Actuarial losses / (gains) arising from changes in demographic assumptions | - | - |
| Actuarial losses / (gains) arising from changes in financial assumptions | 3.29 | (4.79) |
| Actuarial losses / (gains) arising from changes in experience adjustments | (43.73) | (21.93) |
| Benefits paid | (24.35) | (16.90) |
| **Present value of DBO at the end of the year** | **330.35** | **321.39** |
| Change in fair value of assets during the year | | |
| Plan assets at beginning of the year | 156.40 | 162.83 |
| Expected return on plan assets | 10.40 | 10.70 |
| Actual Group contributions | 1.86 | 1.95 |
| Actuarial gains | (1.68) | (2.18) |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENT

(All amounts are in ₹ Lakhs)

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Benefits paid | (24.35) | (16.90) |
| Plan assets at the end of the year | 142.64 | 156.40 |
| **Composition of the plan assets is as follows:** | | |
| Assets under scheme of insurance * | 100% | 100% |
| * in the absence of detailed information regarding plan assets which is funded with insurance companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed. | | |
| Actuarial assumptions | | |
| Discount rate | 6.97% | 7.16% |
| Salary escalation | 7.00% | 7.00% |
| Mortality tables | LIC(2006-08) Ultimate | LIC(2006-08) Ultimate |
| **Expected total benefit payments** | | |
| Year 1 | 34.74 | 34.69 |
| Year 2 | 42.38 | 37.02 |
| Year 3 | 47.87 | 37.79 |
| Year 4 | 44.57 | 57.29 |
| Year 5 | 48.88 | 40.93 |
| More than 5 years | 173.45 | 162.73 |

The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.

The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

**Sensitivity analysis:**

The increase / (decrease) of the defined benefit obligation to changes in the weighted principal assumptions are:

| Sensitivity | Gratuity | |
|---|---|---|
| | 2023-24 | 2022-23 |
| DBO at Mar 31 with discount rate -1.0 % | 348.69 | 339.81 |
| DBO at Mar 31 with discount rate +1.0 % | 313.70 | 304.70 |
| DBO at Mar 31 with -1% salary escalation | 315.19 | 305.76 |
| DBO at Mar 31 with +1% salary escalation | 346.61 | 338.33 |
| DBO at Mar 31 with -1% mortality escalation | 330.30 | 321.36 |
| DBO at Mar 31 with +1% mortality escalation | 330.37 | 321.40 |
| DBO at Mar 31 with -1% attrition escalation | 330.55 | 321.48 |
| DBO at Mar 31 with +1% attrition escalation | 330.11 | 321.26 |

**Other long term Employee Benefits - Compensated Absence:**

The Group provides for accumulation of leave by certain categories of its employees. These employees can carry forward a portion of the unutilised leave balances and utilise it in future periods or receive cash in lieu thereof as per the Group's policy. The Group records a provision for leave obligations in the period in which the employees render the services that increases this entitlement.

The total provision recorded by the Group towards this obligation as at year ended March 31, 2024 is Rs. 142.64 Lakhs (As at Mar 31, 2023: Rs. 132.37 Lakhs). The Group does not have an unconditional right to defer settlement for any of these obligations, however, based on past experience, the Group does not expect all employees to take full amount of accrued leave or require payment within the next twelve months, hence the amount of the provision is presented as both non current and current.

(All amounts are in ₹ Lakhs)

These plans typically expose the Group to actuarial risks are as follows:

| | |
|---|---|
| Credit risk | If the scheme is insured and fully funded on projected unit credit basis there is a credit risk to the extent the insurer(s) is/ are unable to discharge their obligations including failure to discharge in timely manner. |
| Pay-as-you-go risk | For unfunded schemes financial planning could be difficult as the benefits payable will directly affect the revenue and this could be widely fluctuating from year to year. Moreover there may be an opportunity cost of better investment returns affecting adversely the cost of the scheme. |
| Discount rate risk | The Group is exposed to the risk of fall in discount rate. A fall in discount rate will eventually increase in the ultimate cost of providing the above benefit thereby increasing the value of the liability. |
| Liquidity risk | This risk arises from the short term asset and liability cash-flow mismatch thereby causing the Group being unable to pay the benefits as they fall due in the short term. Such a situation could be the result of holding large illiquid assets disregarding the results of cash-flow projections and cash outflow inflow mismatch. (or it could be due to insufficient assets/cash.) |
| Demographic risk | In the valuation of the liability certain demographic (mortality and attrition rates) assumptions are inherent. The Group is exposed to this risk to the extent of actual experience eventually being worse compared to that assumed thereby causing an increase in the scheme cost. |
| Regulatory risk | New Act/Regulations may come up in future which could increase the liability significantly. |
| Future salary increase risk | The scheme cost is very sensitive to the assumed future salary escalation rates for all final salary defined benefit schemes. If actual future salary escalations are higher than that assumed in the valuation actual scheme cost and hence the value of the liability will be higher than that estimated. |

## Note No. 40 Financial Instruments

### 40.1 Capital Management

The Group's capital management objective is to maintain an optimal debt-equity structure so as to reduce the cost of capital, thereby enhancing returns to shareholders. The Group also has a policy of making judicious use of various available debt instruments within its overall working capital drawing limit. This interest arbitrage helps the Group to contain / reduce the cost of capital.

### 40.1.1 Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

| **Particulars** | **As at March 31, 2024** | **As at March 31, 2023** |
|---|---|---|
| Debt (A) | 2,593.11 | 3,769.87 |
| Cash and cash equivalents (B) | 39.10 | 819.60 |
| **Net debt (A-B)** | **2,554.01** | **2,950.27** |
| **Total Equity (Equity + Net Debt)** | **17,254.76** | **18,270.91** |
| Net debt to equity ratio (%) | 14.80% | 16.15% |

### 40.2 Categories of financial instruments

The following table presents carrying amount and fair value of each category of financial assets and liabilities for the year ended :

| **As at March 31, 2024** | **Amortised cost** | **Fair value through Statement of Profit and Loss** | **Total Carrying Value** | **Total Fair Value** |
|---|---|---|---|---|
| **Financial assets** | | | | |
| Trade receivables | 4,255.13 | - | 4,255.13 | 4,255.13 |
| Other financial assets | 106.59 | - | 106.59 | 106.59 |
| Cash and bank balances | 1,701.30 | - | 1,701.30 | 1,701.30 |
| **Total financial assets (A)** | **6,063.02** | **-** | **6,063.02** | **6,063.02** |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENT

(All amounts are in ₹ Lakhs)

| As at March 31, 2024 | Amortised cost | Fair value through Statement of Profit and Loss | Total Carrying Value | Total Fair Value |
|---|---|---|---|---|
| **Financial liabilities** | | | | |
| Borrowings | 2,593.11 | - | 2,593.11 | 2,593.11 |
| Lease Liabilities | 47.57 | - | 47.57 | 47.57 |
| Trade payables | 3,166.60 | - | 3,166.60 | 3,166.60 |
| Other financial liabilities | 629.14 | - | 629.14 | 629.14 |
| **Total financial liabilities (B)** | **6,436.42** | **-** | **6,436.42** | **6,436.42** |
| **Net total (A-B)** | **(373.40)** | **-** | **(373.40)** | **(373.40)** |

| As at March 31, 2023 | Amortised cost | Fair value through Statement of Profit and Loss | Total Carrying Value | Total Fair Value |
|---|---|---|---|---|
| **Financial assets** | | | | |
| Trade receivables | 8,662.89 | - | 8,662.89 | 8,662.89 |
| Other financial assets | 488.12 | - | 488.12 | 488.12 |
| Cash and bank balances | 2,569.87 | - | 2,569.87 | 2,569.87 |
| **Total financial assets (A)** | **11,720.88** | **-** | **11,720.88** | **11,720.88** |
| **Financial liabilities** | | | | |
| Borrowings | 3,769.87 | - | 3,769.87 | 3,769.87 |
| Lease Liabilities | 97.95 | - | 97.95 | 97.95 |
| Trade payables | 4,557.97 | - | 4,557.97 | 4,557.97 |
| Other financial liabilities | 1,393.86 | - | 1,393.86 | 1,393.86 |
| **Total financial liabilities (B)** | **9,819.65** | **-** | **9,819.65** | **9,819.65** |
| **Net total (A-B)** | **1,901.23** | **-** | **1,901.23** | **1,901.23** |

**Note :**

i. The short-term financial assets and liabilities are stated at amortized cost which is approximately equal to their fair value.

**40.3 Financial risk management objectives**

The Group's principal financial liabilities comprises of trade and other payables and other current liabilities. The main purpose of these financial liabilities is to raise finance for the Group's operations. The Group has loans and receivables, trade and other receivables, and cash and short-term deposits that arise directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk.

The Group's senior management oversees the management of these risks. The Group's senior management advises on financial risks and the appropriate financial risk governance framework.

**40.4 Market risk**

Market risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include borrowings and deposits.

**40.5 Foreign currency risk management**

The Group undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENT

(All amounts are in ₹ Lakhs)

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of reporting period are as follows:

| Particulars | Liabilities | | Assets | |
|---|---|---|---|---|
| | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2024 | As at March 31, 2023 |
| USD | 80.60 | 32.78 | 700.33 | 109.43 |

**40.5.1 Foreign currency sensitivity analysis**

The Group is mainly exposed to the currency US Dollar. This sensitivity analysis mentioned in the below table has been based on the composition of the Group's financial assets and liabilities exposed to foreign currency as at year end. A positive number below indicates an increase in profit where the INR strengthens 10% against the relevant currency. For a 10% weakening of the INR against the relevant currency, there would be a comparable impact on the profit and the balances below would be negative.

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **US Dollar** | | |
| Impact on profit / (loss) for the year | 61.97 | 7.66 |

**40.6 Interest rate risk management**

The Group is exposed to interest rate risk because it borrows funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings contracts.

The Group's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

The Company's investments in term deposits with bank are carried at amortised cost and are at fixed interest rates. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of changes in market interest rates. There are no borrowings outstanding as on Mar 31, 2024 and as on Mar 31, 2023.

**40.6.1 Interest rate sensitivity analysis**

The sensitivity analysis below have been determined based on the exposure to interest rates for non-derivative instruments (Borrowings) at the end of the reporting period. For floating rate liabilities, the analysis is prepared considering average amount outstanding at the end of each month. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Group's:

• profit before tax for the year ended Mar 31, 2024 would decrease/increase by Rs.25.93 Lakhs (For year ended Mar 31, 2023 Rs.37.70 Lakhs). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

**40.7 Credit risk management**

Credit risk is the risk that a counterparty fails to discharge an obligation to the Group. The Group is exposed to this risk for various financial instruments, for example trade receivables, placing deposits, investment in mutual funds etc.

The Group continuously monitors defaults of customers and other counterparties, identified either individually or by the Group, and incorporates this information into its credit risk controls. The Group's policy is to transact only with counterparties who are highly creditworthy which are assessed based on internal due diligence parameters.

In respect of trade receivables, the Group is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. Trade receivables consist of a large number of customers in various geographical areas. Based on historical information about customer default rates management consider the credit quality of trade receivables that are not past due or impaired to be good.

The credit risk for cash and cash equivalents, fixed deposits and mutual funds are considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Other financial assets mainly comprise of tender deposits and security deposits which are given to customers or other governmental agencies in relation to contracts executed and are assessed by the Group for credit risk on a continuous basis.

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENT

(All amounts are in ₹ Lakhs)

The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group's exposure of its counterparties are continuously monitored.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable and, where appropriate, the Group takes colleteral in the form of mortgaged properties and bank guarantees from the customers.

Concentration of credit risk to any counterparty did not exceed 5% of gross monetary assets (i.e. trade receivables) at any time during the year, except for 4 major customers having significant balances, i.e. exceeding 5% of the total trade receivables as at Mar 31, 2024 and 3 major customers having significant balances as at Mar 31, 2023 amounting to Rs. 1,758.45 Lakhs and Rs. 3,195.63 Lakhs respectively.In addition, the Group is exposed to credit risk in relation to financial guarantees given to banks. The Group's maximum exposure in this respect is the maximum amount the Group could have to pay if the guarantee is called on. As at Mar 31, 2024, bank guarantees amounts to Rs.348.27 Lakhs (as at Mar 31, 2023: Rs. 503.84 Lakhs) has been considered in the balance sheet as contingent liabilities [refer note 33(b)].

The Group also adjusts outstanding trade receivabels on selective basis against purchase of shrimps from the customers. Trade receivable amounting to Rs. 2,622.76 lakhs has been adjusted against trade payable based on the confirmations obtained from the customers during year ended March 2024 (for the March 31 , 2023 Rs. 278.65 Lakhs).

**40.7.1 Collateral held as security and other credit enhancements**

The Group collects Bank Gurantee and Property Mortgage wherever possible as collateral from it's customers for maintaining their risk Profile.

**40.8 Liquidity risk management**

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

**40.8.1 Liquidity risk tables**

The following is an analysis of the Group's contractual undiscounted cash flows payable under financial liabilities as at -

| As at March 31, 2024 | Current | Non-Current | | Total |
|---|---|---|---|---|
| | Within 12 Months | 1-5 Years | Later than 5 years | |
| Borrowings | 2,593.11 | - | - | 2,593.11 |
| Lease liabilities | 44.26 | 5.95 | - | 50.21 |
| Trade and other payables | 3,166.60 | - | - | 3,166.60 |
| Other financial liabilities | 629.14 | - | - | 629.14 |
| **Total** | **6,433.11** | **5.95** | **-** | **6,439.06** |

| As at March 31, 2023 | Current | Non-Current | | Total |
|---|---|---|---|---|
| | Within 12 Months | 1-5 Years | Later than 5 years | |
| Borrowings | 3,769.87 | - | - | 3,769.87 |
| Lease liabilities | 57.14 | 50.21 | - | 107.35 |
| Trade and other payables | 4,557.97 | - | - | 4,557.97 |
| Other financial liabilities | 1,393.86 | - | - | 1,393.86 |
| **Total** | **9,778.84** | **50.21** | **-** | **9,829.05** |

**40.9 Financing facilities**

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Total Fund Based and Non Fund Based Limits | 9,881.00 | 7,381.00 |
| -amount used | 2,603.11 | 3,854.87 |
| -amount unused | 7,277.89 | 3,526.13 |

As at Mar 31, 2024, total limit of Rs. 9,881.00 Lakhs includes non-fund based limit of Rs. 500.00 Lakhs and non-fund based sub-limits aggregating to Rs. 3,981 Lakhs (as at Mar 31, 2023, total limit of Rs. 7,381.00 Lakhs includes non-fund based limit of Rs. 500.00 Lakhs and non-fund based sub-limits aggregating to Rs. 4,481.00 Lakhs).

## NOTES TO CONSOLIDATED FINANCIAL STATEMENT

(All amounts are in ₹ Lakhs)

Note: As at Mar 31, 2024, Rs.10.00 Lakhs out of the total bank guarantee of Rs. 348.27 Lakhs (as at Mar 31, 2023: Rs. 85.00 Lakhs out of the total bank guarantee of Rs. 503.84 Lakhs) have been taken against the company's sanctioned limits, the remaining bank guarantee has been taken against the lien on fixed deposits.

Borrowings as at Mar 31, 2024 Rs.2,593.11 lakhs (Rs.3,769.87 lakhs as at Mar 31, 2023) are secured by hypothecation of present and future stock of raw materials, work in progress, finished goods, stores and spares and debtors. Equitable mortgage over the factory land and building of the Company at Nellore and charge over property, plant and equipment of the Company, excluding vehicles.

**40.10 Fair value measurements**

This note provides information about how the Group determines fair values of various financial assets and financial liabilities.

**40.10.1 Fair value of the financial assets and liabilities that are measured at fair value**

The management considers the carrying amount of Biological assets at their appropriate fair values (Refer note-10).

**40.10.2 Fair value of the financial assets and liabilities that are not measured at fair value**

The management consider that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

### Note No. 41 Relationship with Struck Off Companies

Details of struck off companies with whom the group has transaction during the year or outstanding balance as on Balance sheet date

| Name of the Struck off Company | Nature of Transaction with Struck off Company | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|---|
| Wave Aquatic Private Limited | Trade receivables | 571.46 | 571.46 |

i) The Group does not have any transactions with companies struck off during the fiancial year ended March 31, 2024.

ii) The Group has made provision for doubtful debts for the unsecured balances.

### Note No. 42 Employee stock option plan

During the previous year ended Mar 31, 2023, the Company had applied to stock exchange with a Employee Stock Option Plan (ESOP) after taking due approval from the share holders. The approval from the stock exchange was in process as at Mar 31, 2023.

During the year ended Mar 31, 2024, the management of the Company have received the approval from the stock exchange, however there was no options granted under the ESOP and the company has postponed the plan for rolling out the ESOP to the employees.

### Note No. 43 Additional Regulatory Information

i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

ii) The Group has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.

iii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

iv) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

v) 1. The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

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

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

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

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

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

vi) The Group has complied with the requirement with respect to number of layers as prescribed under Section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENT

(All amounts are in ₹ Lakhs)

vii) The Group has 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.

**Note No. 44 Particulars of Loans, Guarantees or Investments covered under Section 186(4) of the Companies Act, 2013 :**

(i) Advances in the nature of loans given to Companies is Rs.Nil (As at Mar 31, 2023: Rs.3.64 Lakhs).

(ii) There are no loans/guarantees issued under Section 186 of the Companies Act, 2013 read with rules issued thereunder.

**Note No. 45**

**A. The subsidiary (which along with The Waterbase Limited, the parent, constitute the Group) considered in the preparation of these Consolidated Financial Statements are:**

| Name of the entity | Relationship | Country of Incorporation | Holding % as at Mar 31, 2024 |
|---|---|---|---|
| Waterbase Frozen Food Private Limited (Formerly Known as Saatatya Vistaar Oorja Bengaluru Private Limited) | Subsidiary | India | 100% |

**B. Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013:**

**For the year ended Mar 31, 2024**

| Name of the entity | Net Assets | | Share in Profit or (Loss) | | Share in Other Comprehensive Income | | Share in Total Comprehensive Income | |
|---|---|---|---|---|---|---|---|---|
| | As % of Consolidated Net Assets | Amount in Rs. Lakhs | As % of Consolidated Profit or (Loss) for the year | Amount in Rs. Lakhs | As % of Consolidated Other Comprehensive Income | Amount in Rs. Lakhs | As % of Consolidated Total Comprehensive Income | Amount in Rs. Lakhs |
| **Parent Company** | | | | | | | | |
| The Waterbase Limited | 100.06% | 17,265.77 | 99.85% | (1,043.61) | 100.00% | 29.00 | 99.85% | (1,014.61) |
| **Indian Subsidiaries** | | | | | | | | |
| Waterbase Frozen Food Private Limited (Formerly Known as Saatatya Vistaar Oorja Bengaluru Private Limited) | -0.06% | (11.01) | 0.15% | (1.55) | 0.00% | - | 0.15% | (1.55) |
| **Total** | **100.00%** | **17,254.76** | **100.00%** | **(1,045.16)** | **100.00%** | **29.00** | **100.00%** | **(1,016.16)** |

**For the year ended Mar 31, 2023**

| Name of the entity | Net Assets | | Share in Profit or (Loss) | | Share in Other Comprehensive Income | | Share in Total Comprehensive Income | |
|---|---|---|---|---|---|---|---|---|
| | As % of Consolidated Net Assets | Amount in Rs. Lakhs | As % of Consolidated Profit or (Loss) for the year | Amount in Rs. Lakhs | As % of Consolidated Other Comprehensive Income | Amount in Rs. Lakhs | As % of Consolidated Total Comprehensive Income | Amount in Rs. Lakhs |
| **Parent Company** | | | | | | | | |
| The Waterbase Limited | 100.05% | 18,280.37 | 99.74% | (346.80) | 100.00% | 18.36 | 99.73% | (328.44) |
| **Indian Subsidiaries** | | | | | | | | |
| Waterbase Frozen Food Private Limited (Formerly Known as Saatatya Vistaar Oorja Bengaluru Private Limited) | -0.05% | (9.46) | 0.26% | (0.90) | 0.00% | - | 0.27% | (0.90) |
| **Total** | **100.00%** | **18,270.91** | **100.00%** | **(347.70)** | **100.00%** | **18.36** | **100.00%** | **(329.34)** |

**Note No. 46 Audit Trial**

The Parent has used accounting software for maintaining its books of account, which has a feature of recording audit trail as per the requirement of the Companies (Accounts) Rules, 2014 as amended by Ministry of Corporate Affairs (MCA) notification dated March 24, 2021, except that the audit trail feature was not enabled for transaction and master tables to log any direct data changes throughout the financial year.

**Note No. 47 Previous year figures**

Previous year's figures have been restated, rearranged and regrouped, wherever necessary, to enable comparability of the current year's position of accounts with that of the relative previous year's position.

**Note No. 48 Approval of Consolidated Financial Statements**

The Consolidated Financial Statements were approved for issue by the Board of Directors on May 29, 2024.

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
*Chartered Accountants*
Firm's Registration No. 117366W/W-100018

**R. Prasanna Venkatesh**
*Partner*
*Membership No. 214045*

Place: Chennai
Date: May 29, 2024

For and on behalf of the Board of Directors

**Varun Aditya Thapar**
Chairman
DIN : 02322660
Place : New Delhi
Date: May 29, 2024

**Rahul C Mehta**
Director
DIN : 00397420
Place : New Delhi
Date: May 29, 2024

**Bala Arumugam**
*Company Secretary*
Place : New Delhi
Date: May 29, 2024

**Ramakanth V Akula**
*Chief Executive Officer*
Place : New Delhi
Date: May 29, 2024

**R Sureshkumar**
*Chief Financial Officer*
Place : New Delhi
Date: May 29, 2024

**THE WATERBASE LIMITED**
**CIN: L05005AP1987PLC018436**
**Registered Office:** Ananthapuram Village, T P Gudur Mandal, Nellore - 524 344, Andhra Pradesh
**Corporate Office:** Thapar House, 37, Montieth Road, Egmore, Chennai - 600 008, Tamil Nadu
**Email:** investor@waterbaseindia.com, **Website:** www.waterbaseindia.com, **Phone:** 044-4566 1700

## NOTICE

**NOTICE IS HEREBY GIVEN THAT THE THIRTY SEVENTH ANNUAL GENERAL MEETING OF THE WATERBASE LIMITED WILL BE HELD ON WEDNESDAY, SEPTEMBER 25, 2024 AT 12:00 NOON (IST) THROUGH VIDEO CONFERENCING ("VC") / OTHER AUDIO VISUAL MEANS ("OAVM") TO TRANSACT THE FOLLOWING BUSINESS:**

### ORDINARY BUSINESS:

1. **Adoption of Standalone Financial Statements**

   To consider and if deemed fit, to pass the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** the audited standalone financial statements of the Company for the financial year ended March 31, 2024 and the reports of the Board of Directors and Auditors thereon be and are hereby received, considered and adopted."

2. **Adoption of Consolidated Financial Statements**

   To consider and if deemed fit, to pass the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** the audited consolidated financial statements of the Company for the financial year ended March 31, 2024 and the report of the Auditors thereon be and are hereby received, considered and adopted."

3. **Re-appointment of Director**

   To consider and if deemed fit, to pass the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, Ms. Nitasha Thapar (DIN: 00061445), who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company liable to retire by rotation.

### SPECIAL BUSINESS:

4. **Appointment of Mr. Ramakanth V Akula as a Director**

   To consider and if deemed fit, to pass the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** Mr. Ramakanth V Akula, (DIN: 07107616), who was appointed by the Board of Directors, as an Additional Director of the Company with effect from August 09, 2024 and who holds office up to the date of this Annual General Meeting in terms of Sections 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) and in respect of whom the Company has received a notice in writing from a member under Section 160(1) of the Act proposing his candidature for the office of the Director be and is hereby appointed as a Director of the Company, liable to retire by rotation."

5. **Appointment of Mr. Ramakanth V Akula, (DIN: 07107616) as a Whole Time Director and Chief Executive Officer**

   To consider and if deemed fit, to pass the following resolution as a Special Resolution:

   "**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, approval of the Company be and is hereby accorded to the appointment of Mr. Ramakanth V Akula, (DIN: 07107616) as a Whole-Time Director and Chief Executive Officer of the Company for a period of three years with effect from August 9, 2024 on the terms and conditions including remuneration as set out in the statement annexed to the Notice convening this meeting with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include Nomination & Remuneration Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary the terms and conditions of appointment and / or remuneration, in such manner and to such extent as may be agreed to by the Board and Mr. Ramakanth V Akula.

   **RESOLVED FURTHER THAT** that where in any financial year during the currency of the tenure of Mr. Ramakanth V Akula, the Company has no profits or its profits are inadequate, the Company may pay to him, the remuneration as set out in the explanatory statement forming part of this resolution as the minimum remuneration by way of salary, perquisites, other allowances, benefits and incentives, for a period not exceeding 3 (three) years, subject to receipt of the requisite approvals, if any.

   **RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts and deeds and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board of Directors

Sd/-
**Bala Arumugam**
*Company Secretary*

Place: Chennai, India
Date : August 9,2024

**NOTES:**

1. The Ministry of Corporate Affairs ("MCA") vide its circular dated May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020, January 13, 2021, December 8, 2021, December 14, 2021, May 5, 2022, December 28, 2022 and September 25, 2023 (collectively referred to as "MCA Circulars" and Securities and Exchange Board of India (SEBI) vide its circulars dated May 12, 2020, January 15, 2021, May 13, 2022 ,January 5, 2023 and October 07, 2023 (collectively referred to as "SEBI Circulars" ) has permitted for the holding the Annual General Meeting through VC /OAVM without physical presence of the members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), MCA circulars and SEBI circulars, AGM of the Company is being held through VC / OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.

2. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depository Participant(s) unless any member has requested for a physical copy of the same. Members may note that the Notice and Annual Report 2023-24 will also be available on the Company's website at https://www.waterbase.com, website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and on the website of Company's Registrar and Transfer Agent (RTA), Cameo Corporate Services Limited (Cameo) at Investor@cameoindia.com.

3. Company has appointed M/s. Central Depositories Services Limited (CDSL), to provide Video Conferencing facility for the AGM and the attendant enablers for conducting the AGM

4. Generally, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

5. As per the provisions under the MCA Circular, members attending the e-AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

6. Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI etc.,) are required to send scanned certified true copy (PDF Format) of the Board Resolution/ Authority Letter etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutiniser through email francis.acs@csfrancisandassociates.com with a copy marked to Investor@waterbase.com. Corporate Members are encouraged to attend the meeting through VC.

7. Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the item no : 3, 4 and 5, to be transacted at the AGM as set out in the Notice, is annexed hereto.

8. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, September 19, 2024 to Wednesday, September 25, 2024 (both days inclusive).

9. The Company is providing facility for voting by electronic means (e-voting) through an electronic voting system which will include remote e-voting as prescribed by the Companies (Management and Administration) Rules, 2014 as presently in force and the businesses set out in the Notice will be transacted through such voting. Information and instructions including details of user id and password relating to e-voting are provided in the Notice.

10. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote through remote e-voting.

11. Members may please note that SEBI vide its Circular No.SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal / exchange of securities certificate; endorsement; sub-division / splitting of securities certificate; consolidation of securities certificates / folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR - 4 / ISR - 5, the format of which is available on the Company's website at https://www.waterbase.com and Cameo's website Investor@cameoindia.com. It may be noted that any service request can be processed only after the folio is KYC Compliant.

12. Members are requested to note that the dividend remaining unclaimed for a continuous period of seven years from the date of transfer to the Company's Unpaid Dividend Account shall be transferred to the Investor Education and Protection Fund ("IEPF"). In addition, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company to demat account of the IEPF Authority within a period of thirty days of such shares becoming due to be transferred to the IEPF. Details of dividends so far transferred to the IEPF Authority are available on the website of the IEPF Authority and same can be accessed through the link www.iepf.gov.in. The members whose unclaimed dividends / shares have been transferred to IEPF, may claim the same by making an online application to the IEPF authority in web Form No. IEPF-5 available on www.iepf.gov.in

13. The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on March 31, 2024 on the website of the Company (www.waterbase.com )

14. Information as required under the Listing Regulations and the Secretarial Standard on General Meetings (SS-2), issued by the Institute of Company Secretaries of India, in respect of appointment of director is furnished and forms part of the notice.

15. As per the provisions of Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014, Shareholders holding shares in physical form may file nomination in the prescribed SH-13 with Cameo. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he / she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website www.waterbase.com and Cameo's website Investor@cameoindia.com. In respect of shares held in demat form, the nomination form may be filed with the concerned Depository Participant(s)

16. Dispute Resolution Mechanism at Stock Exchanges SEBI, vide its circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated May 30, 2022, provided an option for arbitration as a Dispute Resolution Mechanism for investors. As per this circular, investors can opt for arbitration with Stock Exchanges in case of any dispute against the Company or its Registrar and Transfer Agent on delay or default in processing any investor services related request. In compliance with SEBI guidelines, the Company had sent communication intimating the said Dispute Resolution Mechanism to all the Members holding shares in physical form.

17. 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 Participant with whom they are maintaining their dematerialised accounts. Members holding shares in physical form can submit their PAN details to Cameo.

18. SEBI vide its circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/OIAE_ IAD-1/P/CIR/2023/135 dated August 4, 2023, read with Master Circular No. SEBI/HO/ OIAE/OIAE_IAD-1/P/ CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (https:// smartodr.in/login) and the same can also be accessed through the Company's website at www.waterbaseindia.com.

19. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and Register of Contracts or arrangements in which directors are interested maintained under Section 189 of the Act and relevant documents referred to in the proposed resolutions will be available for inspection by the members electronically during the meeting. Members seeking to inspect such documents can send an email to investor@waterbaseindia.com.

20. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

21. **VOTING & AGM**

**Electronic Voting ("E-Voting")**

i. Pursuant to Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, and the MCA Circulars, the Company is pleased to provide its members the facility for voting through remote e-voting as well as e-voting during the AGM in respect of all the businesses to be transacted at the AGM and has engaged Central Depositories Services Limited (CDSL) to provide e-voting facility and for participation in the AGM through VC / OAVM facility.

ii. The cut-off date for the purpose of determining the members eligible for participation in remote e-voting and voting during the AGM is September 19, 2024. Please note that a person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on cut-off date only shall be entitled to avail the facility of remote e-voting or e-voting during the Meeting. If members opt for remote e-voting, then they should not vote at the Meeting. However, once an e-vote on a resolution is cast by a member, such member is not permitted to change it subsequently or cast the vote again. Members who have cast their vote by remote e-voting prior to the date of the Meeting can attend the Meeting and participate in the Meeting but shall not be entitled to cast their vote again.

iii. Voting and AGM Instructions:

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

a) The voting period begins on 9.00 am (IST) on September 22, 2024 and ends at 5.00 pm (IST) on September 24, 2024. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the Cut-Off / Record Date, may cast their vote electronically. The E-Voting module shall be disabled by CDSL for voting thereafter.

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

c) 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.

d) 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 CDSL/ NSDL** is given below:

| **Type of shareholders** | **Login Method** |
|---|---|
| Individual Shareholders holding securities in Demat mode with **CDSL Depository** | 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 users to login to Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab.<br>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.<br>If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.<br>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 evoting is in progress and also able to directly access the system of all e-Voting Service Providers. |
| Individual Shareholders holding securities in demat mode with **NSDL Depository** | 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.<br>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.<br>If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |
| Individual Shareholders (holding securities in demat mode) login through their **Depository Participants (DP)** | 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. |

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

1) The shareholders should log on to the e-voting website www.evotingindia.com.

2) Click on "Shareholders" module.

3) Now enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

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

4) Next enter the Image Verification as displayed and Click on Login.

5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

f) After entering these details appropriately, click on "SUBMIT" tab.

g) 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.

h) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

i) Click on the EVSN for against "THE WATERBASE LIMITED" on which you choose to vote.

j) 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.

k) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

l) 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.

m) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

n) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

o) 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.

p) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia. com.

- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz francis.acs@ csfrancisandassociates.com with a copy marked to investor@waterbaseindia.com, helpdesk. evoting@ cdslindia.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**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 toll free no. 1800 22 55 33 |
| Individual Shareholders holding securities in Demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@ nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30 |

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

i. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.

ii. The link for VC / OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.

iii. 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.

iv. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

v. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

vi. 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.

vii. 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 at least 3 days prior to meeting mentioning their name, Demat account number / folio number, email id, mobile number, questions proposed to be asked at the e-mail id of the company i.e. investor@ waterbaseindia. com. The shareholders who do not wish to speak during the AGM, but have queries, may send their queries 3 days prior to meeting mentioning their name, demat account number/ folio number, email id, mobile number at the e-mail id of the company i.e. investor@waterbaseindia.com. These queries will be replied to by the company suitably by email.

vii. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

viii. 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.

ix. 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.

23. **Process for Shareholders whose Email / Mobile No. are not registered with the Company / RTA / Depositories.**

i. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), self-attested scanned copy of PAN Card, AADHAR Card and Cancelled Cheque by email to the RTA's E-Mail i.e. investor@cameoindia.com or update the details at their web portal https://investors.cameoindia.com by providing the necessary details required therein.

ii. For Demat shareholders please update your email id & mobile no. with your respective Depository Participant (DP)

iii. 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.

24. 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 Futurex, 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.

25. Any person who have acquired shares and become members of the company after the dispatch of the notice and holding shares as on Cut-Off/ Record Date of September 19, 2024 and who have updated their PAN with the Company/DP, should follow the instructions above mentioned to vote through e-voting and those who have not updated their PAN with the Company/ DP, can send a mail to investor@cameoindia. com with a copy to helpdesk.evoting@cdslindia.com to obtain the details.

26. The 37th AGM has been convened through VC / OAVM in compliance with all applicable provisions of the Companies Act, 2013 read along with MCA Circulars.

27. All documents referred to in the accompanying Notice and the Statement setting out material facts can be obtained for inspection by writing to the Company at its email ID investor@waterbaseindia.com till the date of AGM.

28. **Other Instructions:**

i. The Board of Directors have appointed Mr. M Francis (Membership No. F10705), Partner, M Francis & Associates, Practising Company Secretaries, as the Scrutinizer to scrutinise the remote e-Voting process as well as voting during the AGM in a fair and transparent manner.

ii. The Scrutinizer shall immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-Voting (votes cast during the AGM and votes cast prior to the AGM) and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutiniser's Report of the total votes cast in favor or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.

The results declared along with the Scrutiniser's Report shall be placed on the website of the Company www.waterbaseindia.com and on the website of CDSL www.evotingindia.com immediately after declaration. The Company shall simultaneously communicate the results to BSE Limited, where the shares of the Company are listed.

By Order of the Board of Directors

Sd/-
**Bala Arumugam**
*Company Secretary*

Chennai,India
August 9, 2024

**ANNEXURE TO THE NOTICE**

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.**

**Item No:3**

**DETAILS PERTAINING TO DIRECTORS AS REQUIRED UNDER REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

| | |
|---|---|
| Name of the Director | Ms. Nitasha Thapar |
| DIN | 00061445 |
| Age | 45 Years |
| Date of first appointment on the Board : | 08.02.2023 |
| Qualifications | Holds a Bachelor of Arts degree from Tufts University and an Associate in Applied Science from Parsons School of Design |
| Brief Resume / Experience, Expertise (Including expert in specific functional area) | Ms. Nitasha Thapar is the Director of Indian City Properties Limited and she is also engaged in CSR initiatives focussed on gender empowerment and education, rural development and wildlife conservation. She holds a Bachelor of Arts degree from Tufts University and an Associate in Applied Science from Parsons School of Design. Post graduating she worked at reputable design studios and went on to establish her own design firm, Infonauts, which specialised in graphic and information design. Their clients included Oxfam, WHO, Wall Street Journal and Harvard Business Review. |
| Terms and conditions of the appointment / reappointment | Director liable for retirement by rotation. Eligible for sitting fees & Commission as the Board may decide on the recommendation of NRC, subject to an overall cap of 1% of the Net Profit calculated as per Section 198 for all Non-Executive Directors taken together. |
| Remuneration last drawn (including sitting fee, if any | Sitting fees of Rs.1.20 Lakh paid for attending the Board/Committee Meetings. |
| Remuneration proposed to be paid (except sitting fees and commission) | Nil |
| Shareholding in the Company as on March 31, 2024 | 51,875 |
| No of Meetings of the Board attended during the year | 4 |
| Directorship in other companies as on March 31, 2024 | 1. Walltone Artefacts Private Limited<br>2. Indian City Properties Ltd<br>3. Aquavista Enterprises Private Limited<br>4. Glowbox Media Private Limited<br>5. Stone Castle Fiduciary Services Private Limited |
| Chairman / Member of the Committees of the Boards of which he is a Director | Stakeholders Relationship Committee – Member<br>Corporate Social Responsibility Committee - Member |
| Listed Company from which he resigned the directorship during the past three years | Nil |
| Inter-se relationship with any Director / Key Managerial personnel | Mr. Varun Thapar Chairman and Non-Executive Director of the Company, is the brother of Ms. Nitasha Thapar. |

### Item No:4

Mr. Ramakanth V Akula was appointed as an Additional Director of the Company by the Board of Directors at their meeting held on August 9, 2024. As Additional Director, he holds office up to the date of the ensuing Annual General Meeting. In terms of Section 161 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, he is eligible for appointment as Director of the Company. Notice has been received from a member proposing Mr. Ramakanth V Akula as candidate for the office of Director of the Company.

A brief resume and other details as required pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standards - 2, is enclosed as Annexure to this notice. Mr. Ramakanth V Akula is not related to any other Director of the Company within the meaning of Companies Act, 2013.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the Members.

None of the other Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise in the resolution set out at Item No.4 of the Notice.

### Item No:5

The Board at their meeting held on August 9, 2024, on the recommendation of the Nomination & Remuneration Committee, appointed Mr. Ramakanth V Akula as a Whole-Time Director and Chief Executive Director of the Company for a period of three years with effect from August 9, 2024 on a remuneration as set out below, subject to the limits prescribed under the Companies Act, 2013.

The Nomination and Remuneration Committee and the Board, approved the remuneration of Mr. Ramakanth V Akula as Whole-Time Director and Chief Executive Officer of the Company for the three year period from August 9, 2024 as follows:

**Remuneration :**

a) Salary : Rs.5,30,917/- (Rupees Five Lacs thirty thousand nine hundred and seventeen only) per month.

b) HRA : Rs 2,65,459 /- (Rupees Two Lacs sixty five thousand four hundred and fifty nine only) per month.

c) Conveyance : Rs.10,000/- (Rupees Ten thousand only) per month

d) Special Allowance : Rs.6,49,976/- ( Rupees Six Lakhs forty nine thousand and nine hundred seventy six only) per month.

e) Vehicle & Fuel Reimbursement: Rs.25,000/- (Rupees Twenty five thousand only) per month.

f) Leave Travel Allowance and Telephone reimbursement : As per the rules of the Company

In addition to salary and perquisites as above, Mr. Ramakanth V Akula shall be entitled for the Profit Linked Incentive (PLI) at the rate of 1% of the Profit Before Taxes of the Company as may be determined by the Nomination & Remuneration Committee.

(iv) **Retirement Benefits**

(a) Contribution to Provident Fund, Superannuation Fund and Gratuity as per the approved scheme of the Company in force from time to time.

(b) Encashment of leave as per rules of the Company in force.

### GENERAL

(i) In the event of absence or inadequacy of profits in any financial year, the above remuneration by way of salary, allowances, perquisites, benefits, incentive and retirement benefits shall be payable to Mr. Ramakanth V Akula, Whole-Time Director and Chief Executive Officer as may be determined by the Nomination and Remuneration Committee or Board, subject to the limits as prescribed under the Companies Act, 2013 and rules made there under.

(ii) Mr. Ramakanth V Akula, Whole-Time Director and Chief Executive Officer will not be entitled to any sitting fees for attending meetings of the Board or of any Committee thereof.

As per the provisions of Part II, Section II of Schedule V of the Companies Act, 2013, where in any financial year during the currency of tenure of a managerial person, a company has no profits or its profits are inadequate, it may pay remuneration to the managerial person as specified under the said Schedule provided the payment of remuneration is approved by a resolution passed by the Board and in the case of companies covered under sub-section (1) of section 178 of the Companies Act, 2013, also by the Nomination and Remuneration Committee and an ordinary or special resolution, as the case may be, has been passed at the general meeting of the company for payment of remuneration for a period not exceeding three years and further subject to the company complying with the other conditions specified therein.

The remuneration proposed to be paid to Mr. Ramakanth V Akula during the period from August 9, 2024 to August 8, 2027, in the event of loss or inadequacy of profits in any year is in accordance with Part II of Schedule V of the Companies Act, 2013.

During the year ended March 31, 2024, the Company has made a loss. Consent of the Members is being sought for payment of remuneration to Mr. Ramakanth V Akula for the period from August 9, 2024 to August 8, 2027, in the event of loss or inadequacy of profit in any year during the above said period, as detailed above.

Accordingly, special resolution set out under item No 5 of the Notice is submitted to the meeting. Information required to be disclosed pursuant to part II of Schedule V of the Companies Act, 2013 is annexed.

The Board recommends the Resolutions at Item No.5 for approval by the Members. None of the other Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise in the resolutions set out at Item No. 5 of the Notice.

## STATEMENT PURSUANT TO SCHEDULE V PART II SECTION II OF THE COMPANIES ACT, 2013

**I. General Information:**

**(i) Nature of Industry:**

The Company is an integrated aquaculture company with shrimp farms, shrimp feed plants and processing facilities, exports and frozen seafood.

**(ii) Date or expected date of commencement of commercial production:**

The Company was incorporated on November 23, 1987.

**(iii) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:**

Not Applicable.

**(iv) Financial performance based on given indicators –**

| Particulars | 2023-24 | 2022-23 | 2021-22 |
|---|---|---|---|
| Gross Income | 34,233.52 | 30,672.27 | 30,132.95 |
| Total Expenses | 35,557.74 | 31,108.35 | 30,096.91 |
| Profit/(Loss) Before Tax | (1,324.22) | (436.80) | 36.04 |
| Profit/(Loss) After Tax | (1,043.61) | (346.80) | 9.76 |
| **Net Worth** | **17,265.76** | **18,280.37** | **18,608.81** |

**v) Foreign investments or collaborators, if any:**

Not Applicable.

**II. Information about Mr. Ramakanth V Akula:**

**(i) Background details**: Mr. Ramakanth V Akula is the Chief Executive Officer of the Company from August 1, 2014. He is a management graduate with rich experience in Leadership & Business Management roles. With key specialization in Marketing and General Management, he has a world of experience spanning over 30 years in leading FMCG, Paint & Aquaculture companies.

Prior to joining 'Waterbase', he was with Nippon Paint, as President for its Indian operations. He has set up the company's operations in India from scratch. He had been the driving force behind the strong position the company has been able to establish in the Indian Paint market, in a short span of time.

Mr. Akula also held senior positions in organizations such as Ampro, Wimco, Kansai Nerolac.

**(ii) Past remuneration during the financial year ended March 31, 2024**: Rs.193.78 lakhs

**(iii) Recognition or awards:** Nil

**(iv) Job Profile and his suitability:** Mr. Ramakanth V Akula is the Whole-Time Director and Chief Executive Officer of the Company. He will be responsible to perform such other duties as may from time to time be entrusted by the Board. Taking into consideration the qualifications and expertise, he is best suited for the responsibilities as a Whole-Time Director and Chief Executive Officer.

(V) **Remuneration proposed:**

As set out in Item No. 5 of the Notice of the Annual General Meeting

(vi) **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):**

Taking into consideration the size of the Company, the profile of Mr. Ramakanth V Akula, the responsibilities shouldered by him, growth in turnover and profits and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies.

(vii) **Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:**

Besides the remuneration proposed to be paid to him, he does not have any other pecuniary relationship with the Company or relationship with the managerial personnel.

**III. Other Information:**

**(i) Reasons of loss or inadequate profits:**

Our shrimp feed business faced several challenges due to lower farming activity and intense competition. The Company exercised abundant caution in extending credit to dealers and has focused on collections. This has resulted in a sharp reduction in feed volumes during the year. This may impact us in the short term but will go a long way in laying a strong foundation for the future.

The shrimp feed business has continued to face a challenging backdrop given heightened competition among suppliers and muted activity by shrimp farmers. In addition to external developments such as unseasonal rains and sporadic outbreak of diseases, our stringent credit norms and focus on collections have also impacted offtake of feed volumes during the year.

Further given the prevailing high prices for raw materials such as wheat flour and fish meal, overall raw material costs prices remained at high levels. These factors have had a bearing on the margin performance.

During the financial year 2024 reflects the challenging conditions in the shrimp business. Low farmgate prices have dampened farmer sentiment, resulting in reduced farming activity in our key markets. Additionally, our stricter credit policy has further impacted our feed sales.

**(ii) Steps taken or proposed to be taken for improvement**

We are still building up critical mass and further focus on operational efficiencies will aid in the optimization journey towards profitability. In addition to the positive financial impact, the processing business offers strategic benefits aiding in fortifying relationships with shrimp farmers, who are concurrently served by the feed business.

Conversely, the processing business has scaled up well, with many positive developments, including the addition of new customers and visible ongoing growth. This vertical has performed commendably despite extremely low prices for processed shrimp due to the supply glut in multiple regions. We remain optimistic about our prospects in this area and believe we can substantially scale this segment in the future.

**(iii) Expected increase in productivity and profits in measurable terms:**

The shrimp processing and export business has helped to strengthen our relationships with the farmers, this augurs well for the shrimp feed business. Exports continue to grow and are significantly contributing to the revenues. It will take a few more quarters to start making profits as we are further scaling up the business with improved efficiencies.

Despite the current headwinds in the global shrimp industry, we believe our prospects remain strong. We are focused on growing the processing business, which has ample room for expansion. Additionally, our integrated business model, strong financial position, and initiatives to streamline collections in the feed business position us favorably for sustained growth and value creation.

Further, despite the prevailing challenges across the industry's value chain, we believe that our inherent strengths such as the integrated business model, strong financial position and deep relationships with industry stakeholders, position us favourably for sustained growth and value creation. "

**IV. Disclosures:**

The required disclosures are given in the Report on Corporate Governance annexed to the Directors' Report.

Mr. Ramakanth V Akula has not received any remuneration or commission from any of the subsidiaries of the Company.

Mr. Ramakanth V Akula satisfies all the conditions set out in Part-I of Schedule V to the Act and also conditions set out under sub-section 3 of section 196 of the Act for being eligible for his appointment.

Mr. Ramakanth V Akula is not disqualified from being appointed as a Director in terms of section 164 of the Act and has given his consent to act as a Director. Mr. Ramakanth V Akula is not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India ("SEBI") or any other authority and has given all the necessary declarations and confirmation including his consent to be appointed as a Whole-time Director & CEO.

Further, the Company has received a notice from a Member under Section 160 of the Act proposing the re appointment of Mr. Ramakanth V Akula as a Whole-time Director& CEO.

The Board is of the view that Mr. Ramakanth V Akula knowledge and experience will be of immense benefit and value to the Company and pursuant to the recommendation of the NRC, recommends his appointment to the Members.

Mr. Ramakanth V Akula possesses the core skills/ expertise/competencies identified in the Company's business and sectors for it to function effectively.

Except Mr. Ramakanth V Akula, to the extent of his shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel ("KMP") of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 4 & 5 of the Notice. Mr. Ramakanth V Akula is not related to any other Director/ KMP of the Company.

The Board recommends the Special Resolution at Item No. 5 of the Notice for approval of the Members.

Your Directors recommend the aforesaid Resolution for approval by the Members by way of a Special Resolution.

**DETAILS PERTAINING TO DIRECTORS AS REQUIRED UNDER REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

| | |
|---|---|
| Name of the Director | Mr. Ramakanth V Akula |
| DIN | 07107616 |
| Age | 57 |
| Date of first appointment on the Board : | He joined as the Chief Executive Officer of the Company from August 1, 2014.<br><br>He has been appointed as Whole-Time Director and Chief Executive Officer w.e.f August 9, 2024 |
| Qualifications | Graduate |
| Brief Resume / Experience, Expertise (Including expert in specific functional area) | Mr. Ramakanth V Akula is the Chief Executive Officer of the Company from August 1, 2014. He is a management graduate with rich experience in Leadership & Business Management roles. With key specialization in Marketing and General Management, he has a world of experience spanning over 30 years in leading FMCG, Paint & Aquaculture companies.<br><br>Prior to joining 'Waterbase', he was with Nippon Paint, as President for its Indian operations. He has set up the company's operations in India from scratch. He had been the driving force behind the strong position the company has been able to establish in the Indian Paint market, in a short span of time.<br><br>Mr. Akula also held senior positions in organizations such as Ampro, Wimco, Kansai Nerolac. A passionate reader, he also enjoys Music, traveling and trekking. |
| Terms and conditions of the appointment / reappointment | Appointment of Mr. Ramakanth V Akula as an Additional Director (Whole-Time Director and Chief Executive Officer) of the Company for a period of 3 years effective from August 9, 2024 subject to shareholders approval. |
| Remuneration last drawn (including sitting fee, if any | As detailed in the Explanatory Statement to the Notice of the Annual General Meeting. |
| Remuneration proposed to be paid (except sitting fees and commission) | As detailed in the Explanatory Statement to the Notice of the Annual General Meeting. |
| Shareholding in the Company as on March 31, 2024 | 5 equity shares |
| No of Meetings of the Board attended during the year | NA |
| Directorship in other companies as on March 31, 2024 | 1. Handy-Waterbase India Private Limited<br><br>2. Waterbase Frozen Foods Private Limited |
| Chairman / Member of the Committees of the Boards of which he is a Director | Nil |
| Listed Company from which he resigned the directorship during the past three years | Nil |
| Inter-se relationship with any Director / Key Managerial personnel | Mr. Ramakanth V Akula is not related to any of the Directors or Key Managerial Personnel of the Company. |

The Waterbase Limited

# FEEDING GROWTH

The Waterbase Limited

Registered Office & Factory:
Ananthapuram Village,
Nellore District
Pincode: 524 344
Andhra Pradesh, India
Email:info@waterbaseindia.com

Corporate Office :
Thapar House,
37, Montieth Road
Egmore, Chennai - 600 008
Tamil Nadu, India
Phone: + 91 44 4566 1700
Email:info@waterbaseindia.com,
investor@waterbaseindia.com
Website:www.waterbaseindia.com