



CREMICA AGRO FOODS LIMITED
33RD ANNUAL REPORT
FOR THE FINANCIAL YEAR 2021-2022

CREMICA AGRO FOODS LIMITED
(CIN: L15146PB1989PLC009676)
Registered Office: 455, Sohan Palace, 2nd Floor, The Mall,
Ludhiana-141001, Punjab

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COMPANY INFORMATION

CIN:	L15146PB1989PLC009676
<u>BOARD OF DIRECTORS</u> Mr. Surendar Kumar Sood Ms. Samridhi Seth Mr. Nem Chand Jain Mr. Shantilal Sukalal Chaudhari	<u>DESIGNATION</u> Chairman and Independent Director Independent Director Independent Director Whole Time Director & CEO
<u>CHIEF FINANCIAL OFFICER</u> Mr. Rishi Kumar Bector	<u>COMPANY SECRETARY</u> Ms. Malti Devi* Ms. Shilpa Tiwari**
SHARE TRANSFER AGENTS	M/s Link Intime India Private Limited Noble Heights, 1 st Floor, Plot No. NH-2, C-1 Block LSC, Near Savitri Market, Janakpuri, New Delhi- 110058
STATUTORY AUDITORS	M/s Anush Kaileshwar & Co., Chartered Accountants*** M/s K.C. Khanna & Co., Chartered Accountants
SECRETARIAL AUDITORS	M/s GA & Associates, Company Secretaries LLP
REGISTERED OFFICE	455, Sohan Palace, 2 nd Floor, The Mall, Ludhiana- 141001, Punjab
CORPORATE OFFICE	Theing Road Phillaur, Jalandhar- 144410, Punjab
STOCK EXCHANGE	Metropolitan Stock Exchange of India Limited
WEBSITE OF THE COMPANY	www.cafl.co.in

* Ms. Malti Devi has resigned from the position of Company Secretary and Compliance Officer w.e.f.-09th May, 2022.

** Ms. Shilpa Tiwari is appointed as Company Secretary and compliance Officer of the Company w.e.f., 13th May, 2022 .

*** M/s Anush Kaileshwar & Co., Chartered Accountants resigned from the position of Statutory Auditor of the Company w.e.f., 13th May, 2022 due to personal reasons.

**** M/s K.C. Khanna & Co., Chartered Accountants has been appointed as Statutory Auditor of the Company w.e.f 13th May, 2022 .

NOTICE OF 33RD ANNUAL GENERAL MEETING

NOTICE is hereby given that the **33rd Annual General Meeting (AGM)** of the members of M/s Cremica Agro Foods Limited will be held on Tuesday, the 27th day of September, 2022 at 11:00 A.M through Video Conferencing/ Other Audio Visual Means ("VC"/"OAVM") to transact the following matter(s):

The venue of the Meeting shall be deemed to be the Registered Office of the Company situated at 455, Sohan Palace, 2nd Floor, The Mall, Ludhiana-141001, Punjab.

ORDINARY BUSINESS

To Consider and if thought fit to pass with or without modification(s) following resolution as an Ordinary Resolution:

1. To receive, consider and adopt the Audited Financial Statements (Standalone) of the Company for the financial year ended on 31st March, 2022 including the Audited Balance Sheet as at 31st March, 2022, the statement of Profit & Loss and Cash Flow Statement for the financial year ended on that date along with the Notes appended thereto and Reports of the Auditors and Directors Report thereon.
2. To appoint a Director in place of **Mr. Shantilal Sukalal Chaudhari (DIN: 02315224)**, Whole Time Director who retires by rotation in accordance with the Articles of Association of the Company and being eligible, offers himself for re-appointment.
3. **APPOINTMENT OF M/S K.C. KHANNA & CO., CHARTERED ACCOUNTANTS AS STATUTORY AUDITOR OF THE COMPANY**

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

"RESOLVED THAT in accordance with the provisions of Sections 139 and 142 of the Companies Act, 2013, M/S K.C. KHANNA & CO, Chartered Accountants, be and are hereby appointed as the Statutory Auditors of the Company from the conclusion of this Annual General Meeting to hold such office for a period of five years till the conclusion of the Thirty Eight Annual General Meeting, at such remuneration plus applicable taxes, and out of pocket expenses, as may be determined and recommended by the Audit Committee in consultation with the Auditors and duly approved by the Board of Directors of the Company."

**By order of Board of directors
For Cremica Agro Foods Limited**

Date: 2nd September, 2022
Place: Ludhiana

Shilpa Tiwari
(Company Secretary and Compliance Officer)
Registered Office: 455, Sohan Palace, 2nd Floor,
The Mall, Ludhiana-141001, Punjab

NOTES:

In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circulars dated May 05,2022 read together with circulars dated April 08,2020, April 13, 2020 ,June 15, 2020,September 28, 2020,December 31,2020,June 23,2021 and December 08,2021 (collectively referred to as "MCA Circulars") permitted convening the Annual General Meeting ("AGM/ Meeting") through Video Conferencing ("VC")/ Other Audio visual means ("OAVM"), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM. This notice is sent to all the members whose name appears as on 26TH August, 2022 in the Register of Members.

1. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
2. The Annual Report 2021-22 is being sent through electronic mode only to those members whose email addresses are registered with the Company/Depository Participant(s). pursuant to circular no. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022 dispatch of Physical copy of Annual Report is dispensed.
3. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
4. The relevant explanatory statement pursuant to section 102 of the Companies Act, 2013 is not applicable.
5. Additional Information, pursuant to regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, In respect of the directors seeking appointment/ re-appointment at the AGM, is furnished as annexure to the Notice.
6. Members, who have not registered their e-mail address so far, are requested to register their e-mail address for receiving all communication and documents from the Company electronically. Members seeking further information on the Accounts or any other matter contained in the Notice are requested to write to the Company at least 7 days before the meeting so that relevant information can be kept ready at the meeting.

Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their Depository Participants in case the shares are held in electronic form and in case the shares are held in physical form to the Company's Registrar and Share Transfer Agents.

7. The Notice for the Annual General Meeting and the Annual Report will be available for inspection at the Registered Office of the Company on all working days in business hour up to the date of Annual General

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Meeting. The above said shall also be available on the Company's website at www.cafli.co.in.

8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit PAN to their Depository Participants with whom they are maintaining their de-mat account.

Member holding shares in physical form can submit their PAN details to the Company at the Registered Office of the Company.

9. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
10. The Register of Members and Share Transfer Books shall remain closed from 21st September, 2022 to 27th September, 2022 (Both days inclusive) (Cut-off date- 20th September, 2022).

The Company has fixed 2nd September, 2022 as the date for the purpose of dispatch of Notice of AGM along with Annual report. Any person who acquires shares after the above said date but before the cut-off date i.e., 20th September, 2022 may obtain the ID-password from the Company's RTA i.e Link Intime Private Limited.

11. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to manager.cafli@gmail.com with a copy marked to instameet@linkintime.co.in.
12. The Board of Directors has appointed **Ms. Sanchita Bhardwaj, Partner of GA & Associates, Company Secretaries LLP** as the **Scrutinizer** for conducting the voting and remote e-voting process in accordance with the law and in a fair and transparent manner and she has consented to act as scrutinizer.
13. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting period i.e. between 24th September 2022 (9.00 A.M.) to 26th September, 2022 (5.00 P.M.) in the presence of at least two witnesses not in the employment of the Company. The Scrutinizer shall, prepare and present a consolidated report of the total votes cast in favour or against, if any, to the Chairman or any other Key Managerial Personnel who shall countersign the same and declare the results of the voting within 48 hours of conclusion of Annual General Meeting.
14. The results declared along with the report of Scrutinizer shall be placed on the website of the Company immediately after the declaration of results by the Chairman or any other Key Managerial Personnel. The results shall also be forwarded to the Stock Exchange within 2 working days of the conclusion of Annual General Meeting.
15. Any person who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at rnt.helpdesk@linkintime.co.in. However, if he / she is already registered with Link Intime India Pvt. Ltd (LIPL) for remote e-voting then he / she can use his / her existing user ID and password for casting the vote.

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16. The business set out in this Notice shall be conducted through e-voting. In compliance with the provisions of the Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer e-voting facility as an alternate to all its Members to enable them to cast their votes electronically instead of casting their vote at the Meeting.
17. The members may cast their votes through electronic voting system (remote e-voting). The remote e-voting period will commence at 9.00 A.M. on Saturday, 24th September, 2022 and will end at 5.00 P.M. on Monday, 26th September, 2022. In addition, the facility for e-voting shall also be made available during the AGM. Members participating in the AGM through Video Conference/ Other Audio Visual Means who have not cast their vote by remote e-voting shall be eligible to cast their vote through e-voting during the AGM. Members who have voted through remote e-voting shall be eligible to participate in the AGM; however, they shall not be eligible to vote at the meeting.
18. Members may join the 33rd AGM through VC/OAVM Facility by following the procedure as mentioned below which shall be kept open for the Members from 10:45 A.M. IST i.e. 15 minutes before the time scheduled to start the 33rd AGM and the Company may close the window for joining the VC/OAVM Facility 15 minutes after the scheduled time to start the 33rd AGM. Members may note that the VC/OAVM Facility allows participation of at least 1,000 Members on a first-come-first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. can attend the 33rd AGM without any restriction on account of first-come-first-served principle.
19. As per Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, securities of listed companies can be transferred only in dematerialized form except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact their Depository Participant with whom they are maintaining their de-mat account.

20. Voting through electronic means:

Process and manner for attending the Annual General Meeting through InstaMeet:

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>

▶ Select the “**Company**” and “**Event Date**” and register with your following details: -

A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No

- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
- Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
- Shareholders/ members holding shares in **physical form shall provide Folio Number registered with the**

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Company

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN

with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. Mobile No.: Enter your mobile number.

D. Email ID: Enter your email id, as recorded with your DP/Company.

► Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

Please refer the instructions (annexure) for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMEET website.

Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request 3 days in advance with the company on the specific email id created for the general meeting.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.

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4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the General Meeting through InstaMeet 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 facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

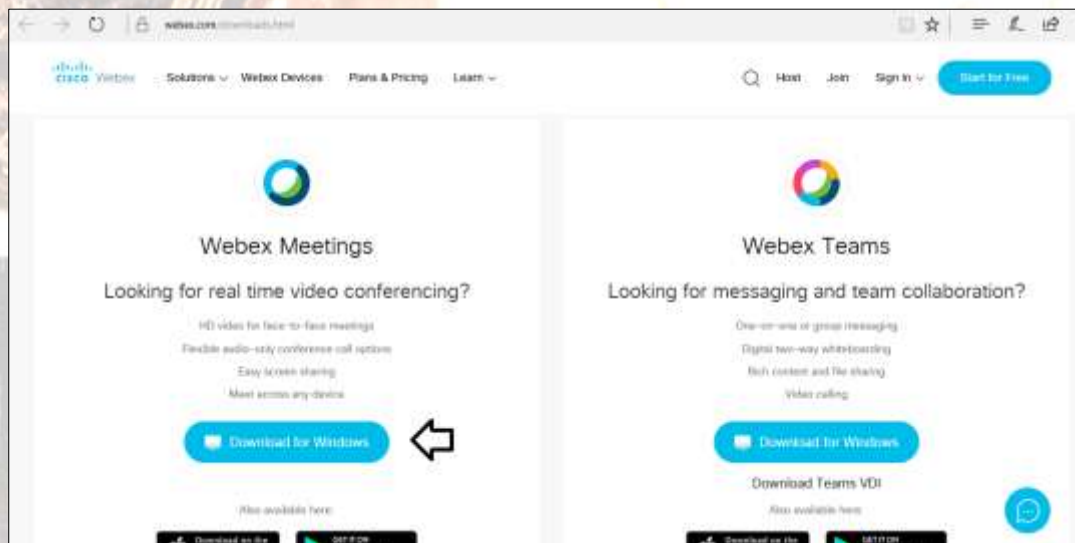
In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

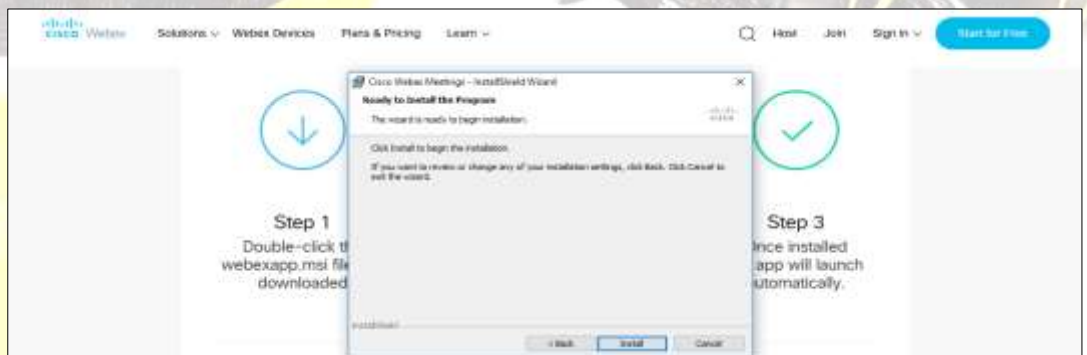
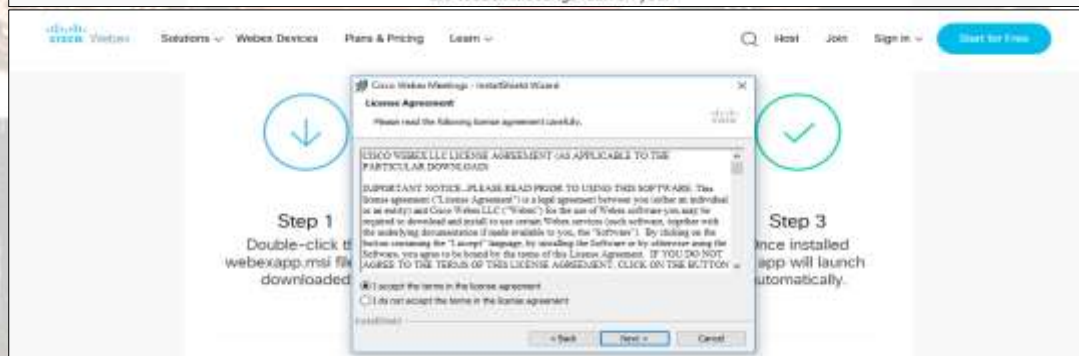
Annexure

Guidelines to attend the AGM proceedings of Link Intime India Pvt. Ltd.: InstaMEET

For a smooth experience of viewing the AGM proceedings of Link Intime India Pvt. Ltd. InstaMEET, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

- a) Please download and install the Webex application by clicking on the link <https://www.webex.com/downloads.html/>





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or

b) If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:

Step 1	Enter your First Name, Last Name and Email ID and click on Join Now.
1 (A)	If you have already installed the Webex application on your device, join the meeting by clicking on Join Now
1 (B)	If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or Run a temporary application . Click on Run a temporary application , an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now

The screenshot shows the Cisco Webex 'Join Event Now' page. On the left, under 'Event Information', there are fields for Event status, Date and time, Duration, and Description. On the right, under 'Join Event Now', there is a message: 'You cannot join the event now because it has not started.' Below this message are input fields for First name, Last name, Email address, and Event password. A red arrow points to the 'Join Event Now' button. Below the button, there is a link to 'Join by browser' and a note for hosts to 'Start your meeting'.

Remote e-Voting Instructions for shareholders:

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

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

1. Individual Shareholders holding securities in demat mode with NSDL
 1. Existing IDeAS user can visit the e-Services website of NSDL viz... <https://eservices.nsdl.com> either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and

you will be re-directed to "InstaVote" website for casting your vote during the remote e-Voting period.

2. If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nsdl.com> Select "Register Online for IDeAS Portal" or click at <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://eservices.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 i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

2. Individual Shareholders holding securities in demat mode with CDSL

1. Existing users who have opted for Easi / Easiest, can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/ Easiestare https://web.cdslindia.com/myeasi/home/login_or_www.cdslindia.com and click on New System Myeasi.
2. After successful login of Easi/Easiest the user will be able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.
3. If the user is not registered for Easi/Easiest, option to register is available at <https://web.cdslindia.com/myeasi/Registration/EasiRegistration>.
4. Alternatively, the user can directly access e-Voting page by providing demat account number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

3. Individual Shareholders (holding securities in demat mode) login through their depository participants
You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful

authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

Login method for Individual shareholders holding securities in physical form is given below:

Individual Shareholders of the company, holding shares in physical form as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>
2. Click on **"Sign Up"** under **'SHARE HOLDER'** tab and register with your following details: -
 - A. User ID:** Shareholders holding shares in **physical form shall provide** Event No + Folio Number registered with the Company.
 - B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the RTA/ Company shall use the sequence number provided to you, if applicable).
 - C. DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)
 - D. Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

Shareholders/ members holding shares in **physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above*

 - ▶ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%*), at least one numeral, at least one alphabet and at least one capital letter).
 - ▶ Click "confirm" (Your password is now generated).
3. Click on 'Login' under **'SHARE HOLDER'** tab.
4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on **'Submit'**.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select **'View'** icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option **'Favour / Against'** (If you wish to view the entire Resolution details, click on the **'View Resolution'** file link).
4. After selecting the desired option i.e. Favour / Against, click on **'Submit'**. A confirmation box will be displayed. If you wish to confirm your vote, click on **'Yes'**, else to change your vote, click on 'No' and accordingly modify your vote.

Guidelines for Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as '**Custodian / Mutual Fund / Corporate Body**'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the '**Custodian / Mutual Fund / Corporate Body**' login for the Scrutinizer to verify the same.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

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

Individual Shareholders holding securities in Physical mode has forgotten the password:

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

o Click on '**Login**' under '**SHARE HOLDER**' tab and further Click '**forgot password?**'

o Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#\$%&), at least one numeral, at least one alphabet and at least one capital letter.*

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User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

**By order of Board of directors
For Cremica Agro Foods Limited**

Shilpa Tiwari
(Company Secretary and Compliance Officer)
Registered Office: 455, Sohan Palace, 2nd Floor,
The Mall, Ludhiana-141001, Punjab

Date: 02nd September, 2022

Place: Ludhiana

ANNEXURE TO THE NOTICE

DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

ITEM NO.2

TO APPOINT A DIRECTOR IN PLACE OF MR. SHANTILAL SUKALAL CHAUDHARI (DIN: 02315224), WHOLE TIME DIRECTOR WHO RETIRES BY ROTATION IN ACCORDANCE WITH THE ARTICLES OF ASSOCIATION OF THE COMPANY AND BEING ELIGIBLE, OFFERS HIMSELF FOR RE-APPOINTMENT

In terms of Section 152(6) of the Companies Act, 2013, Mr. Shantilal Sukalal Chaudhari, Whole Time Director of the Company shall retire by rotation at this Annual General Meeting (AGM) and being eligible, offers himself for reappointment. The Board of Directors of the Company recommends his re-appointment.

Mr. Shantilal Sukalal Chaudhari was appointed as a Whole Time Director w.e.f. 01st April, 2008.

Information about the Appointee Directors:

Mr. Shantilal Sukalal Chaudhari

Brief Profile:

Mr. Shantilal Sukalal Chaudhari, being equipped with immense management skills, knows how to harmonize the team with the company's goals. Having a rich experience in financial and marketing sector, with best intentions, she shares a vision to put out fires instead of working to unite the people as a Team.

Nature of his expertise in specific functional areas:

He is an imperative person of the management of the Company. His management expertise and rich experience is continuously helping the business to develop and is further facilitating in the proposed expansion of business. He has been a part of Company's decision making, quality and regulatory operations and has played an imperative role in formulating the business strategies.

Disclosure of relationship between Directors inter-se:

He has not any relationship with any of the Directors on Board.

Name	Shantilal Sukalal Chaudhari
Age	60 Years
Name of the Listed Companies in which Directorship held	NA
Name of the Listed Companies in which Committee Membership held	NA
Shareholding in the Company	NA

Item 3-**APPOINTMENT OF M/S K.C. KHANNA & CO., CHARTERED ACCOUNTANTS AS STATUTORY AUDITOR OF THE COMPANY**

Disclosure under Regulation 36(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Proposed audit fee payable to auditors	Rs. 1,00,000 per annum
Terms of Appointment	M/s. KC Khanna & Co., Chartered Accountant (FRN No. 000481N), be and are hereby appointed as the Statutory Auditors of the Company to hold the office of the Statutory Auditors of the Company from the conclusion of this Annual General meeting until the conclusion of the 38 th Annual General Meeting
Material change in fee payable	Rs. 47,000 per annum was paid to the outgoing Auditor and Rs. 1,00,000 per annum shall be paid to the proposed Auditor. Proposed Auditor being highly experienced is therefore recommended to be paid Rs. 1,00,000 per annum.
Basis of recommendation and auditor credentials	<p>M/s. KC Khanna & Co. was founded in April 1942 by Mr. K.C. Khanna. The firm is empaneled with</p> <ul style="list-style-type: none"> - Comptroller and Auditor General of India for Audit of Public Sector undertakings – (Regn. No DE0038). - Professional Development Committee of The Institute of Chartered Accountants of India for (i) Audit of 27 Public Sector Banks and Branches, ii) Statutory Central and Branch Audit of Regional Rural Banks (RRBs), (RBI Unique Code No.100323) and iii) other authorities. - Audit Bureau of Circulations Ltd., Mumbai (ABC) <p>Professional Experience The firm has considerable experience of handling large professional assignments in both Public Sector as well as Private Sector. Professional assignments covering Audit, Taxation Corporate matters and Management Consultancy, have been carried out, inter-alia, for the following clients.</p>

**By order of Board of directors
For Cremica Agro Foods Limited**

Shilpa Tiwari
(Company Secretary and Compliance Officer)
Registered Office: 455, Sohan Palace, 2nd Floor,
The Mall, Ludhiana-141001, Punjab

Date: 2nd September, 2022

Place: Ludhiana

Dematerialization of physical shares and Updation of Bank Details & PAN

Dear Shareholders,

We would like to inform you that Securities and Exchange Board of India (SEBI) vide their Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 Dated November 03, 2021 has mandated all holders of physical securities in listed companies to furnish the PAN, Nomination forms, Contact details, Bank account details, specimen signatures etc. to the RTA.

We observe from our records that the above said details of holders of physical securities have not been updated in your Folios. Hence, we request you to send the details of your PAN, Nomination form (format is uploaded on website of the Company i.e., (<http://cafl.co.in/investor-section/>), updated contact details, Bank account details, specimen signatures to the Registrar and Share Transfer Agent (RTA) (i.e., Link Intime India Pvt. Ltd) of the Company on or before April 01, 2023. If the RTA doesn't have the above said details on April 01, 2023 then the Folio shall be frozen by the RTA.

The RTA shall revert the frozen folios to normal status upon

- a) Receipt of all the aforesaid documents / details or
- b) Dematerialization of all the securities in such folios.

Please also provide your Email Id, Phone / Mobile No. for record as well as for us to send to you communication by electronic means in accordance with various circulars issued by the Ministry of Corporate Affairs from time to time.

Further, We would also like to inform you that SEBI vide amendment in the Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, dated June 8, 2018, has mandated that the transfer of securities would be carried out in dematerialized form only w.e.f., April 01, 2019.

You are accordingly advised to dematerialize your physical shareholding at earliest. After April 01, 2019, no request for transfer of shares in physical form can be processed by the Company/RTA.

In order to dematerialize your shares, please open a Demat Account with any of the Depository Participant and submit your physical share certificate(s) with them for dematerialization to avoid inconvenience at later stage. An early action in the matter will save you from unnecessary hassle at a later date.

**Thanking you,
Yours faithfully,
For Cremica Agro Foods Limited**

**Shilpa Tiwari
(Compliance Officer & Company Secretary)**

DIRECTORS' REPORT**Dear Members,**

Your Directors have pleasure in presenting this 33rd Directors' Report on the affairs of the Company together with the Audited Statement of Accounts for the year ended on 31st March, 2022.

1. STANDALONE FINANCIAL SUMMARY OR PERFORMANCE OF THE COMPANY:**(In Rupees'000)**

Particulars	Year Ended 31.03.2022	Year Ended 31.03.2021
Sales for the year(Net)	-	137.50
Other Income	3,094.15	2,154.84
Total Income	3,094.15	2,292.34
Less: Expenses	1,778.85	1,730.80
Profit/(Loss) before Financial Expenses, Preliminary expenses, Depreciation and Taxation	1,315.30	561.54
Less: Financial expenses(Finance Cost)	-	-
Operating Profit/(Loss) before Preliminary expenses, Depreciation & Taxation	1,315.30	561.54
Less: Depreciation and amortization & Preliminary expenses written off	38.15	53.26
Profit/(Loss) before Taxation	1,277.15	508.28
Less : Provision for Taxation		
Current Tax	329.81	139.21
Deferred Tax Charge/ (Credit) Deferred Tax charge / (credit)	(9.60)	(7.43)
Income Tax of earlier years	-	-
Deferred Tax Charge/ (Credit)	-	-
Profit/(Loss)for the year	956.94	376.5

2. OPERATIONS

During the year the Company has NIL revenue from operations of the Company as compared to Rs. 1,37,500 (One Lakhs Thirty seven Thousand Five Hundred only) in the previous year. However, there has been other income of Rs. 30,94,150 (Thirty Lakhs Ninety Four Thousand One Hundred Fifty only) during the year under review as compared to other income of Rs. 21,54,840 (Twenty-one Lakhs Fifty Four Thousand Eight Hundred Forty only) in the previous year. The Net Profit for the year under review amounted to Rs. 9,56,940 (Nine Lakhs Fifty Six Thousand Nine Hundred and Forty only) as compared to Net Profit of Rs. 3,76,500 (Three Lakhs Seventy Six Thousand Five Hundred only) in the previous year.

3. TRANSFER TO RESERVES

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During the year under review company has transferred Rs. 9,56,940 (Nine Lakhs Fifty Six Thousand Nine Hundred and Forty only) to the General Reserve.

4. DIVIDEND

During the year under review, the Board of Directors has not recommended any dividend on the equity share capital.

5. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

There were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

6. INTERNAL CONTROLS SYSTEM AND ADEQUACY

Your Company continuously invests in strengthening its internal control processes. The Company has put in place an adequate system of internal control commensurate with its size and nature of business. These systems provide a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding of assets of the Company and ensuring compliance with corporate policies.

7. MATERIAL CHANGES BETWEEN THE DATE OF THE BOARD REPORT AND END OF FINANCIAL YEAR.

There have been no 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.

8. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

There were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

9. SUBSIDIARY COMPANY/ JOINT VENTURE/ ASSOCIATE COMPANY

The company has no subsidiary or Joint venture company. However, your Company is an associate company of Mrs. Bectors Food Specialties Limited.

10. STATUTORY AUDITOR & AUDIT REPORT:

The Board of Directors at its meeting held on 13th May, 2022, as per the recommendation of the Audit Committee and pursuant to Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the other applicable provisions as applicable on the company, recommended the appointment of M/s K.C. Khanna & Co., Chartered Accountants [FRN No. 000481N] due to the casual vacancy caused by the resignation of M/s Anush Kaileshwar & Co., Chartered Accountants, [FRN No. 013077N] w.e.f 13th May 2022 subject to approval of members in the General Meeting convened within three months of such recommendation.

Hence, the members in the Company's Extraordinary General Meeting held on Friday, August 12, 2022 at 11.00 A.M. through Video conferencing has accorded their consent for appointment of M/s. KC Khanna &

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Co., Chartered Accountants (Firm Registration No.000481N) as the Statutory Auditors of the Company , to hold the office of the Statutory Auditors of the Company in place of M/s. Anush Kaileshwar & Co., Chartered Accountants from the conclusion of the Extra-Ordinary General meeting until the conclusion of the ensuing Annual General Meeting. Thus, the Board further recommends their appointment as Statutory Auditor for the period of five years till the conclusion of the Thirty Eight Annual General Meeting to be held in the calendar year 2027 subject to approval of shareholders in Annual General Meeting.

The Company has also received consent letter and eligibility certificate from M/s K.C. Khanna & Co., Chartered Accountants to act as Statutory Auditor of the Company along with a confirmation that, their appointment, if made, would be within the limits prescribed under the Companies Act, 2013.

The Notes on financial statement referred to in the Auditors' Report as provided by M/s. Anush Kaileshwar & Co., Chartered Accountants for the year ended 31st March 2022 are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer.

11. CHANGE IN THE NATURE OF BUSINESS:

As required to be reported pursuant to Section 134(3)(q) read with Rule 8(5) (ii) of Companies (Accounts) Rules, 2014, There is no change in the nature of business carried on by company during the financial year 2021-22.

12. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges in India is enclosed as per **Annexure-A** and forms the part of this Report.

13. SECRETARIAL STANDARDS

The Company has followed the applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively.

14. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under section 134(3)(C) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (i) In the preparation of the annual accounts for the financial year ended 31st March, 2022, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March, 2022 and of the profit and loss of the company for that period;
- (iii) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of

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the company and for preventing and detecting fraud and other irregularities;

(iv) the directors had prepared the annual accounts on a going concern basis;

(v) the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively; and

(vi) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

15. CORPORATE GOVERNANCE REPORT

The Corporate Governance Report as per Regulation 15(2) is not applicable on the Company Please find enclosed Non applicability Certificate as Annexure- B.

16. CORPORATE SOCIAL RESPONSIBILITY:

The disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is not applicable as Company is not covered under the criteria mentioned in Section 135(1) of Companies Act, 2013.

17. INTERNAL CONTROLS SYSTEM AND ADEQUACY

Your Company continuously invests in strengthening its internal control processes. The Company has put in place an adequate system of internal control commensurate with its size and nature of business. These systems provide a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding of assets of the Company and ensuring compliance with corporate policies.

18. STATEMENT IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROL WITH REFERENCE TO THE FINANCIAL STATEMENTS

Pursuant to Section 134 (3)(q) read with Rule 8(5) (viii) of Companies (Accounts) Rules, 2014, and ICAI guidance note on adequacy on internal financial controls with reference to financial statements, it is stated that there is adequate internal control system in the Company.

19. INTERNAL FINANCIAL CONTROL

The Board has adopted the policies and procedures 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 disclosures.

20. VOLUNTARY REVISION OF FINANCIAL STATEMENTS OR BOARD'S REPORT

The Company is complying with the provisions of Section 129 or 134 of Companies Act, 2013 so there was no voluntary revision done by the company during financial year 2021- 22.

21. DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL:

The following is the constitution of the Board of Directors as on 31st March, 2022:

S. No.	Name of the Directors and Key	Designation
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	Managerial Personnel (KMPs)	
1.	Mr. Surendar Kumar Sood	Chairman & Independent Director
2.	Mr. Shantilal Sukalal Chaudhari	Whole time Director & Chief Executive Officer
3.	Mr. Nem Chand Jain	Independent Director
4.	Ms. Samridhi Seth	Independent Director
5.	Mr. Rishi Kumar Bector	Chief Financial Officer
6.	Ms. Malti Devi*	Company Secretary and Compliance Officer

* Ms. Malti Devi has resigned from the post of Company Secretary and Compliance Officer of the Company w.e.f., 09th May, 2022.

22. DECLARATION BY INDEPENDENT DIRECTORS

The Independent Directors have submitted their declarations of independence, as required pursuant to provisions of section 149(7) of the Companies Act, 2013, stating that they meet the criteria of independence prescribed under the Act and Listing Regulations and they have registered their names in the Independent Directors' Databank. .

23. COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS PROVIDED UNDER SUB-SECTION (3) OF SECTION 178:

Your Board of directors has constituted Nomination and Remuneration Committee of the Board consisting of Sh. Surendar Kumar Sood (DIN: 01091404), Ms. Samridhi Seth (DIN: 08532336) and Sh. Nem Chand Jain (DIN: 02894923) in terms of Section 178 of the Companies Act 2013 read with rule 6 of the Companies (Meeting of Board and its Power) Rules 2014. The Company considers human resources as its invaluable assets. This policy on nomination and remuneration of Directors, Key Managerial Personnel (KMPs) and other employees has been formulated in terms of the provisions of the Companies Act, 2013 in order to pay equitable remuneration to the Directors, KMPs and employees of the Company and to harmonize the aspirations of human resources consistent with the goals of the Company Objective and purpose of the policy.

The objectives and purpose of this policy are:

- To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a Director (Executive and Non- Executive) and recommend to the Board policies relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
- To formulate the criteria for evaluation of performance of all the Directors on the Board;
- To devise a policy on Board diversity; and
- To lay out remuneration principles for employees linked to their effort, performance and achievement relating to the Company's Goals.

A Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, and independence of a director recommended by the Nomination and

Remuneration Committee of the Board and approved by the Board of directors is attached as **Annexure-C**

24. PERFORMANCE EVALUATION

SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015 mandates that the Board shall monitor and review the Board evaluation framework. The framework includes the evaluation of Director on various parameters such as:

- Board dynamics and relationship
- Information flows
- Decision-making
- Relationship with stakeholders
- Company performance and strategy
- Tracking Board and committees effectiveness
- Peer evaluation

Pursuant to the provisions of the Companies Act, 2013 and in accordance with the manner of evaluation specified by the Nomination and Remuneration Committee, the Board carried out annual performance evaluation of the Board, its Committees and Individual Directors. The Independent Directors carried out annual performance evaluation of the Chairperson, the non-independent directors and the Board as a whole. The Chairman of the respective Committees shared the report on evaluation with the respective Committee members. The performance of each Committee was evaluated by the Board, based on the report of evaluation received from the respective Committees. A consolidated report was shared with the Chairman of the Board for his review and giving feedback to each Director. The Board evaluation was carried out through a structured evaluation process by all the Directors based on the criteria such as composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board. They were evaluated on parameters such as their education, knowledge, experience, expertise, skills, behaviour, leadership qualities, level of engagement and contribution, independence of judgement, decision making ability for safeguarding the interest of the Company, stakeholders and its shareholders.

25. SHARE CAPITAL AND PROVISION OF MONEY BY COMPANY FOR PURCHASE OF ITS OWN SHARES BY TRUSTEES OR EMPLOYEES FOR THE BENEFIT OF EMPLOYEES:

Your Company has not issued any equity shares with differential rights, sweat equity shares, employee stock options and neither made any provision of money for purchase of its own shares by trustees or employees for the benefit of employees till 31.03.2022.

26. DISCLOSURE REGARDING ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS.

The company under the provision of Section 43 read with Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 has not issued any equity shares with differential rights.

27. DISCLOSURE REGARDING ISSUE OF SWEAT EQUITY SHARES

The company under the provision of Section 54 read with Rule 8(13) of the Companies (Share Capital and Debentures) Rules, 2014 has not issued any sweat equity shares.

28. **DISCLOSURE REGARDING ISSUE OF EMPLOYEE STOCK OPTIONS**

There is no issue of employee stock option during the year.

The Board of directors, shall, inter alia, disclose in the Directors' Report for the year, the details as provided in rule 12 (9) of Companies (Share Capital and Debentures) Rules, 2014.

29. **SECRETARIAL AUDIT REPORT:**

M/s. GA & Associates Company Secretaries, LLP, has been appointed to conduct Secretarial Audit of the Company pursuant to section 204 of the Companies Act 2013 read with rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014. A report submitted by them is attached herewith as **Annexure -D**.

The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

30. **INTERNAL AUDITORS**

Pursuant to the provisions of section 138 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, the Company has appointed SYG & Associates LLP as the Internal Auditor of the Company to conduct the internal audit for the financial year 2021-22 and onwards on mutual terms & conditions as decided between the management and Internal Auditor.. The Company is also having an Internal Audit Department to test the adequacy and effectiveness of Internal Control Systems laid down by the management and to suggest improvement in the systems.

31. **FRAUD REPORTING**

During the year under review, No fraud has been committed by company.

32. **MEETINGS HELD DURING THE FINANCIAL YEAR 2021-22**

The Agenda and Notice of the Meetings were circulated well in advance to the respective Directors. During the year under review, 6 (Six) Board Meetings, 4 (Four) Audit Committee Meetings, 1 (One) Stakeholders Relationship Committee Meetings, 2 (Two) Nomination and Remuneration Committee meeting, 1 (One) Independent Directors Meeting and 1(One) Internal complaints committee meeting were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 i.e. the maximum interval between any two Board and Committee meetings did not exceed 120 days.

Date of the Board Meeting	Board Strength at the date of the meeting	No. of directors who attended the Meeting	Name of the directors present
16.04.2021	4	4	Surendar Kumar Sood
			Samridhi Seth
			Shantilal Sukalal Chaudhari

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			Nem Chand Jain
02.06.2021	4	4	Surendar Kumar Sood
			Samridhi Seth
			Shantilal Sukalal Chaudhari
			Nem Chand Jain
13.08.2021	4	4	Surendar Kumar Sood
			Samridhi Seth
			Shantilal Sukalal Chaudhari
			Nem Chand Jain
03.09.2021	4	4	Surendar Kumar Sood
			Samridhi Seth
			Shantilal Sukalal Chaudhari
			Nem Chand Jain
10.11.2021	4	4	Surendar Kumar Sood
			Samridhi Seth
			Shantilal Sukalal Chaudhari
			Nem Chand Jain
10.02.2022	4	4	Surendar Kumar Sood
			Samridhi Seth
			Shantilal Sukalal Chaudhari
			Nem Chand Jain

Type of Committee meeting	Date of the Committee Meeting	Members Strength at the date of the meeting	No. of directors who attended the Meeting	Name of the directors present
Audit Committee Meeting	02.06.2021	3	3	Nem Chand Jain
				Surendar Kumar Sood
				Shantilal Sukalal Chaudhari
Audit Committee Meeting	13.08.2021	3	3	Nem Chand Jain
				Surendar Kumar Sood
				Shantilal Sukalal Chaudhari
Audit Committee Meeting	10.11.2021	3	3	Surendar Kumar Sood
				Nem Chand Jain

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				Shantilal Sukalal Chaudhari
Audit Committee Meeting	10.02.2022	3	3	Nem Chand Jain
				Surendar Kumar Sood
				Shantilal Sukalal Chaudhari
Nomination and Remuneration Committee Meeting	16.04.2021	3	3	Surendar Kumar Sood
				Samridhi Seth
				Nem Chand Jain
Nomination and Remuneration Committee Meeting	03.09.2021	3	3	Surendar Kumar Sood
				Samridhi Seth
				Nem Chand Jain

Stakeholders Relationship Committee Meeting	10.02.2022	3	3	Surendar Kumar Sood
				Shantilal Sukalal Chaudhari
				Nem Chand Jain
Internal Complaints Committee	09.03.2022	4	4	Nem Chand Jain
				Shantilal Sukalal Chaudhari
				Samridhi Seth
				Malti Devi
Independent Directors Meeting	14.03.2022	3	3	Nem Chand Jain
				Surendar Kumar Sood
				Samridhi Seth

The Agenda and Notice for the meetings were prepared and circulated in advance to all the Directors. The necessary quorum was present for all the meetings.

Sr.No	Name of The Director	Number of Board Meetings Director was entitled to attend	Number of Board Meetings attended
1.	Surendar Kumar Sood	6	6

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2.	Shantilal Sukalal Chaudhari	6	6
3.	Samridhi Seth	6	6
4.	Nem Chand Jain	6	6

33. **SEPARATE MEETING OF INDEPENDENT DIRECTORS**

The Company's Independent Directors met on 14th March, 2022, without the attendance of Non Independent Directors and members of the management. All Independent Directors were present at the meeting. At the meeting, they:-

- Reviewed the performance of non-independent directors and the Board as a whole;
- Reviewed the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- Assessed the quality and timelines of flow of information between the Company management and the Board which is necessary for the Board to effectively and reasonably perform their duties.

34. **COMPOSITION OF COMMITTEES OF THE BOARD AS ON 31STMARCH 2022:**

a) **Audit Committee:**

In compliance with the provisions of Section 177 of the Companies Act, 2013, the primary objective of the audit committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurately and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting.

The composition of Audit Committee of the Company is as follows:

S.No.	Name of Member	Designation	Category
1.	Surendra Kumar Sood	Chairman	Independent Director
2.	Shantilal Sukalal Chaudhari	Member	Whole Time Director& CEO
3.	Nem Chand Jain	Member	IndependentDirector

b) **Nomination and Remuneration Committee:**

In compliance with provisions of 178(1) of the Companies Act, 2013, the purpose of the committee is to screen and review individuals qualified to serve as executive directors, non-executive directors and independent directors and to review their remuneration, consistent with criteria approved by the Board, and to recommend, for approval of the Board.

The composition of Nomination and Remuneration Committee of the Company is as follows:

S.No.	Name of Member	Designation	Category
1.	Surendar Kumar Sood	Chairman	Independent Director
2.	Samridhi Seth	Member	IndependentDirector

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3.	Nem Chand Jain	Member	Independent Director
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c) **Stakeholders' relationship Committee:**

In compliance with provisions of 178(5) of the Companies Act, 2013, the purpose of the committee is to assist the Board and the Company in maintaining healthy relationships with all stakeholders.

The composition of Shareholder's Relationship Committee of the Company is as follows:

S.No.	Name of Member	Designation	Category
1.	Surendar Kumar Sood	Chairman	Independent Director
2.	Shantilal Sukalal Chaudhari	Member	Whole Time Director & CEO
3.	Nem Chand Jain	Member	Independent Director

d) **Internal Complaint Committee**

In compliance with provision of Section 4 (1) of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the purpose of the committee is to address the complaints raised by women employee relating to sexual harassment at workplace.

The composition of Internal Complaint Committee of the Company is as follows:

S.No.	Name of Member	Designation	Category
1.	Samridhi Seth	Chairperson/Presiding Officer	Independent Director
2.	Shantilal Sukalal Chaudhari	Member	Whole Time Director & CEO
3.	Nem Chand Jain	Member	Independent Director
4.	Malti Devi	Member	Company Secretary

35. **AUDIT COMMITTEE AND VIGIL MECHANISM**

The Board of directors of the Company has constituted an Audit Committee consisting of Sh. Surendar Kumar Sood (DIN: 01091404), Sh. Shantilal Sukalal Chaudhari (DIN: 02315224) and Sh. Nem Chand Jain (DIN: 02894923) in terms of section 177 of the Companies Act 2013 and rule 6 of the Companies (Meeting of Board and its Powers) Rules 2014.

Pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014, the Company established a Vigil Mechanism process as an extension of Company's Code of Conduct whereby any employee, directors, customers, vendors etc., can report the genuine concerns or grievances to the members of the Committee about unethical behavior, actual or suspected, fraud or violation of Company's Code of Conduct so that appropriate action can be taken to safeguard the interest of the Company. The Mechanism also provides for adequate safeguards against victimization of persons who uses such mechanism. The mechanisms provide for direct access to the chairperson/chairman of the Audit Committee in appropriate or exceptional cases. The Audit Committee regularly review the working of the Mechanism. No complaint was received during the year under review.

36. PARTICULARS OF LOAN, INVESTMENTS, GUARANTEES, SECURITIES UNDER SECTION 186 OF THE COMPANIES ACT, 2013

As required to be reported pursuant to Section 134(3)(g) of Companies Act, 2013, the Complete details of Loans, Investments, Guarantees and Securities covered under Sec 186 of Companies Act, 2013, as per following format:

A. Details of Secured Loans:

Date of making Loan	NA
Details of Borrower	NA
Amount	NA
Purpose for which the loan is to be utilized by the recipient	NA
Time period for which it is given	NA
Date of Board Resolution	NA
Date of Special Resolution (if required)	NA
Rate of Interest	NA
Security	NA

B. Details of Investments:

Date of Investment	NA
Details of Investment	NA
Amount	NA
Purpose for which the proceeds from investment is proposed to be utilized by the recipient	NA
Date of Board Resolution	NA
Date of Special Resolution (if required)	NA
Expected rate of return	NA

C. Details of Guarantee / Security Provided:

Date of providing security/guarantee	NA
Details of recipient	NA
Amount	NA
Purpose for which the security/guarantee is proposed to be utilized by the recipient	NA
Date of Board Resolution	NA
Date of Special Resolution (if required)	NA
Commission	NA

37. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information on conservation of energy, technology absorption and foreign exchange earnings and

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(CIN: L15146PB1989PLC009676)

outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014 is attached herewith as **Annexure -E**.

38. EXTRACT OF THE ANNUAL RETURN IN FORM MGT-9:

In terms of provisions of Section 92, 134(3)(a) of the Companies Act, 2013 read with Rule 12 of Companies (Management and Administration) Rules, 2014, the Annual Return in Form MGT-7 for the financial year ended March 31, 2022 is placed on the Company's website and can be accessed at www.cafli.co.in.

39. PARTICULARS OF EMPLOYEE:

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is annexed as **Annexure-F** and form part of this report.

Further During the year under review, No employee of the Company was in receipt of remuneration exceeding the limits as provided under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

40. HUMAN RESOURCES

The Company recognizes people as its most valuable asset and it has built an open, transparent and meritocratic culture to nurture this asset. The company has kept a sharp focus on Employee Engagement. The Company's Human Resources is commensurate with the size, nature and operation of the Company.

41. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

In terms of Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company familiarizes the Directors about their role and responsibility at the time of their appointment through a formal letter of appointment. Presentations are regularly made at the meetings of the Board and its various Committees on the relevant subjects. The details of programs for familiarization of Independent Directors can be accessed on the Company website.

42. DEPOSITS:

The Company has neither invited nor accepted any deposits from the public during the year. There is no unclaimed or unpaid deposit lying with the Company as on the financial year end date.

(In Rupees)

Deposits accepted during the year(including renewed during the year)	Nil
Deposits remained unpaid or unclaimed as the end of the year	Nil

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Default in repayment of deposits or payment of interest thereon during the year and if so number of such cases and the total amount involved (i) at the beginning of the year; (ii) maximum during the year (iii) at the end of the year	Nil
Deposits which are not in compliance with requirement of chapter V of the Companies Act 2013	Nil

43. RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into/continued during the year under review were on arm's length basis and in the ordinary course of business. The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 has been disclosed in form **AOC-2** attached herewith as **Annexure-G**.

44. MAINTENANCE OF COST RECORDS

The Company is not required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013

45. DETAILS OF APPLICATION MADE OR PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE 2016

During the year under review, there were no applications made or proceedings pending in the name of the Company under Insolvency and Bankruptcy Code, 2016

46. DETAILS OF APPLICATION MADE OR PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE 2016

During the year under review, there were no applications made or proceedings pending in the name of the Company under Insolvency and Bankruptcy Code, 2016

47. CORPORATE POLICY

We seek to promote and follow the highest level of ethical standards in our business transactions. The Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI (Prohibition of Insider Trading) Regulations, 2018 and Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 mandated the formulation of certain policies for all listed companies. All the policies are available on the website of the Company.

The Policies are reviewed periodically by the Board and updated on the basis of need and new Compliance.

The Key Policies are as follows:

Name of The Policy	Brief Description
Risk Management Policy	The Company has a Risk Management Policy with an objective to formalize the process of identification of potential risk and adopt appropriate risk mitigation measures through a risk management

	structure. The Risk Management Policy is a step taken by the Company towards strengthening the existing controls. The Business of the Company solely depends upon the agricultural produce which is highly seasonal and this is a major element of risk which may threaten the existence of the Company.
Policy for determining materiality of event or Information	The Objective of this policy is to outline the guidelines to be followed by the Company for consistent, transparent and timely public disclosures of material information events/information and to ensure that such information is adequately disseminated to the stock Exchange(s) where the securities of the Company are listed in pursuance with the Regulations and to provide an overall governance framework for such determination of materiality.
Policy of Preservation of Records	This policy sets the Standards for classifying, managing and storing the records of the Company. The Purpose of this policy is to establish framework for effective records Management and the process for Subsequent archival of such records.
Sexual Harassment Policy	The Company has zero tolerance for sexual harassment of women at workplace and has adopted a policy against sexual harassment in line with Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. During the financial year 2021-2022, the Company has not received any complaints on sexual harassment and hence no complaint are pending as of 31 March, 2022.
Other policies	Policies like: Policy For Determining Material Subsidiaries, Insider Trading Prohibition Code Pursuant to SEBI (PIT) Regulations, 2015, Policy on Related Party Transaction(S), Policy on Familiarization of Independent Directors are prepared by the Company and followed in its true letter and spirit.

48. RECEIPT OF ANY COMMISSION BY MD/WTD FROM A COMPANY OR FOR RECEIPT OF COMMISSION/ REMUNERATION FROM ITS HOLDING OR SUBSIDIARY.

The Company has not paid any Commission to the Directors of the Company for the Financial Year 2021-22.

49. INDUSTRIAL RELATIONS

The industrial relations remained cordial throughout the year and the excellent results were achieved with the whole hearted co-operation of employees at all levels.

50. ACKNOWLEDGMENT:

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(CIN: L15146PB1989PLC009676)

Your Directors take this opportunity to place on record their appreciation and sincere gratitude to all associates for their valuable support and look forward to their continued co-operation in the years to come. Your Directors acknowledge the support and co-operation received from the employees and all those who have helped in the day to day management.

By order of Board of Directors

For Cremica Agro Foods Limited

Surendar Kumar Sood
(Independent Director)
DIN: 01091404
Office Address: 455, Sohan
Palace, 2nd floor, The Mall
Ludhiana-141001

Date: 02nd September, 2022
Place: Ludhiana

Shantilal Sukalal Chaudhari
(Whole Time Director & CEO)
DIN: 02315224
Office Address: 455, Sohan
Palace, 2nd floor, The Mall
Ludhiana-141001

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a reason to
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MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENT

Your Company was engaged in the manufacture of bread and other bakery products. Though the industry of bread and bakery is showing huge growth both domestic and at the international level Firstly due to the availability of different variety of breads and bakery items having better ingredients and Secondly due to education which has brought in awareness and changed the eating habits of people in India at large, who used to eat their traditional food have now shifted to other food items. Since, in the Last year under review your Company did not do any business so we cannot comment on the performance of the company in comparison with the other companies at large. And also due to widespread unprecedented Covid 19 across globe in 2021 has further led to drop down in sales.

OPPORTUNITIES AND THREATS

There are a lot of opportunities related to the Company which can contribute to the rising income and aspiration of consumers, large & profitable domestic and international markets and rural growth in India. People prefer fresh bread and other products. Bakery products are an item of mass consumption in view of its low price and with rapid growth and changing eating habits of people, bakery products have gained popularity among masses. Besides above, Untapped geographies in India is also a huge area of opportunity. These opportunities are equally visible to the current and future competitors of your Company and that constitutes the primary threat. intensified competition due to lower industry growth. A combination of ahead-of- market innovations, consistent quality delivery, supporting the brand aggressively through consistent and competitive investment and continuous enhancement of capability and efficiency of distribution pipeline will help your Company address the threats.

SEGMENT WISE OR PRODUCT WISE PERFORMANCE

Since there was no business last year therefore the management cannot comment on this head.

FUTURE OUTLOOK

In the near term, Company is planning to once again start its business. It has formed a very good and abled Board, under whose guidance and abled support it is expected that Company will do well and will attain new targets and goals better than what it used to achieve when it was in full flow.

RISKS AND CONCERNS

In today's complex business environment, almost every business decision requires executives and managers to balance risk and reward. Effective risk management is therefore critical to an organization's success. Globalization, with increasing integration of markets, newer and more complex products & transactions and an increasingly stringent regulatory framework has exposed organizations to newer risks. As a result, today's operating environment demands a rigorous and integrated approach to risk management. Timely and effective risk management is of prime importance to our continued success. Increased competition and market volatility has enhanced the importance of risk management.

The sustainability of the business is derived from the following:

- Identification of the diverse risks faced by the company.
- The evolution of appropriate systems and processes to measure and monitor them.

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- Risk management through appropriate mitigation strategies within the policy framework.
- Monitoring the progress of the implementation of such strategies and subjecting them to periodical audit and review.
- Reporting these risk mitigation results to the appropriate managerial levels

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The company has adequate internal control systems and procedures which commensurate with the nature of its business and the size of its operations. The internal control system are adequate to ensure that all assets and resources of the company are safeguarded and protected against loss from unauthorized use or disposition and all transactions are authorized, recorded and reported correctly. The company also ensures compliance with all statutes and regulatory policies and guidelines.

Further the company is also having internal audit department which carries out audit work throughout the year. The main objective of such audit is to test the adequacy and effectiveness of internal control systems laid down by the Management and to suggest improvement in the systems.

Besides, an audit committee consisting of three directors has been constituted. All the significant audit observation and follow up action thereon are taken care of by the audit committee. The audit committee met four times during the financial year under review.

FINANCIAL/OPERATION PERFORMANCE

During the year under review there have been revenue of Rs. NIL from the operations of the Company. However, there has been other income of Rs. 30,94,150 during the year under review as compared to other income of Rs. 21,54,840 in the previous year. The Net Profit for the year under review amounted to Rs. 9,56,940 as compared to Net Profit of Rs. 3,76,500 in the previous year. The detailed performance has already been discussed in the Directors report under column operational review.

HUMAN RESOURCES/INDUSTRIAL RELATIONS

During the year under review the Company had two employees on the rolls of the Company.

CAUTIONARY STATEMENT

Though the statement and views expressed in the above said report are on the basis of best judgment but the actual future results might differ from whatever is stated in the report.

By order of Board of Directors
For Cremica Agro Foods Limited

Surendar Kumar Sood
(Independent Director)
DIN: 01091404
Office Address: 455, Sohan Palace, 2nd
floor, The Mall, Ludhiana-141001

Shantilal Sukalal Chaudhari
(Whole Time Director & CEO)
DIN: 02315224
Office Address: 455, Sohan Palace, 2nd
floor, The Mall, Ludhiana-141001

Date: 02nd September, 2022
Place: Ludhiana

ANNEXURE- B

CORPORATE GOVERNANCE REPORT

M/s Cremica Agro Foods Limited believes in adopting best practices in the area of Corporate Governance and follows the principles of full transparency and accountability.

Cremica has been practicing the broad principles of Corporate Governance within the regulatory framework. While following the Corporate Governance principles, it lays strong emphasis on trusteeship, transparency, accountability and integrity in all facets of its operations and in all its interactions with shareholders, employees, Government and its customers.

As per Regulation 15 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the provisions of Chapter IV of the said Listing Regulations, 2015 shall be applicable to all Companies whose specified securities are listed on any recognized stock exchange either on the main board or on SME Exchange or on institutional trading platform. However, the Compliance with the corporate governance provisions as specified in Regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V shall not be mandatory, for the time being, in respect of the following class of companies:

- A. The listed entity having paid up equity share capital not exceeding Rs.10 Crore and Net Worth not exceeding Rs. 25 Crore, as on the last day of the previous financial year;
- B. The Listed Entity which has listed its specified securities on the SME Exchange.

In view of the aforesaid, we would like to affirm you that provisions stipulated under Regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the SEBI (Listing Regulations and Disclosure Obligations Requirements) Regulations, 2015 **are not applicable on the Company** since its paid-up share capital and net worth doesn't exceeds the prescribed threshold limits as on the last day of the previous financial year ended on 31st March, 2022.

Annexure –C

Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, and independence of a director recommended by the Nomination and Remuneration Committee of the Board and approved by the Board of directors.

Constitution of the Nomination and Remuneration Committee

The Board has constituted the "Nomination and Remuneration Committee" of the Board. This is in line with the requirements under the New Act. The Board has authority to reconstitute this Committee from time to time.

Policy for appointment including criteria for determining qualifications, positive attributes, and independence of director, KMPs and Senior Management

The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or senior management level and recommend to the Board his / her appointment. A person to be appointed as Director, KMP or senior management level should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position. A person, to be appointed as Director, should possess impeccable reputation for integrity, deep expertise and insights in sectors / areas relevant to the Company, ability to contribute to the company's growth. Independence of directors is decided on the basis of definition of independent director contained in sub section 6 of section 149 of the Companies Act 2013.

Policy relating to the remuneration for Directors, KMPs and other employees

The remuneration / compensation / commission etc. to Directors will be determined by the Committee and recommended to the Board for approval. The remuneration and commission to be paid to the Managing Director shall be in accordance with the provisions of the Companies Act, 2013, and the rules made thereunder. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managing Director. Where any insurance is taken by the Company on behalf of its Managing Director and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such

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person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration. The remuneration and reward structure for employees depends upon their qualification and experience. The Committee would determine the remuneration of the Directors and formulate guidelines for remuneration payable to the employees.

By order of Board of Directors
For Cremica Agro Foods Limited

Surendar Kumar Sood
(Independent Director)
DIN: 01091404
Office Address: 455, Sohan
Palace, 2nd floor, The Mall
Ludhiana-141001

Date: 02nd September, 2022
Place: Ludhiana

Shantilal Sukalal Chaudhari
(Whole Time Director & CEO)
DIN: 02315224
Office Address: 455, Sohan
Palace, 2nd floor, The Mall
Ludhiana-141001

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Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2022

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

To,
The Members,
Cremica Agro Foods Limited,

We have conducted the secretarial audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by **M/S Cremica Agro Foods Limited** (hereinafter called as “the Company”) for the financial year ended on 31st March, 2022 (hereinafter called as the “period under review”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 has 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 but subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the period under review, checked the applicability of the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; **Not applicable during the period under review.**
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **Not applicable during the period under review.**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
 - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

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- (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (d) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- (e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not applicable during the period under review.**
- (f) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not Applicable during the reporting period.**
- (g) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not Applicable during the period under review.**
- (h) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **Not applicable during the period under review.**
- (i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not Applicable during the period under review.**
- (j) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable during the period under review.**

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) The listing agreement entered into by the company with Metropolitan Stock Exchange of India Limited (MSEI).

As per the Management of the Company, no other acts are applicable on the Company and thus reporting on the same is not required.

During the period under review and as per the explanations and clarifications given to us and the representations made by the management, the Company has complied with the provisions of applicable Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above. Further it is to be noted that:

1. The Company has called the Board Meeting dated 03.09.2021 on a shorter Notice and the fact that the meeting is called at a shorter notice is not mentioned on the Notice. However, the Independent Directors were present in the meeting held on shorter notice.
2. The Company has appointed internal auditor for the financial year 2021-22 in the Board Meeting held on 13.08.2022.

2. We further report that:

a. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of

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Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

c. There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**For GA & Associates
Company Secretaries LLP**

**CS Sanchita Bhardwaj
(Partner)**

M. No. A43096

COP No.: 20701

PRN: 2485/2022 dated 22.07.2022

Date: 02.09.2022

Place: New Delhi

UDIN:- A043096D000893660



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'Annexure'

(Forming Integral Part of Secretarial Audit Report for the financial year ending 31.3.2022)

To,

The Members,

Cremica Agro Foods Limited

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation Letter about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

For GA & Associates

Company Secretaries LLP

CS Sanchita Bhardwaj

(Partner)

M. No. A43096

COP No.: 20701

PRN: 2485/2022 dated 22.07.2022

Date: 02.09.2022

Place: New Delhi

UDIN:- A043096D000893660

Annexure –E**Particulars of energy conservation, technology absorption and foreign exchange earnings and outgo required under Rule 8 of the Companies (Accounts) Rules, 2014 are provided below.**

The Company operates in a safe and environmentally responsible manner for the long- term benefit of all stake holders. The Company is committed to take effective measures to conserve energy and drive energy efficiency in operations.

(A) Conservation of energy-	
(i) the steps taken or impact on conservation of energy;	<ul style="list-style-type: none"> a) Replacement of florescent lamps with LED Lights in all plants/ units has been initiated. b) Occupancy sensors have been installed in corporate office to minimize power usage. c) Auto-timers for Air conditioners and lights have been installed at corporate office to shut down power supply after office hours. d) In-house training for energy conservation to the plant members and employees. e) Installations of Wind ventilators on sheds of different units.
(ii) the steps taken by the company for utilising alternate sources of energy;	The Company is exploring the option of installing solar panels for generation of electricity at all plant locations.
(iii) the capital investment on energy conservation equipments;	Nil
(B) Technology absorption-	
(i) the efforts made towards technology absorption;	The company is motivated to continuously work for the process and technology development on need basis .The team undertakes specific time-bound programmes to improve technology which are tried on pilot scale / lab to achieve desired results and then up scaled at the manufacturing level. The team works in close co-ordination with other outside agencies to ensure smooth transfer of technology. Appropriate documents are created for quality control and food safety.
(ii) the benefits derived like product	Nil

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improvement, cost reduction, product development or import substitution;		
(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- (a) the details of technology imported; (b)) the year of import; (c) (c) whether the technology been fully absorbed; (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and (iv) the expenditure incurred on Research and Development.	Nil	
	Nil	
(C) Foreign exchange earnings and Outgo-(In Rupees)		
Particulars	2021-22	2020-2021
Total Foreign Exchange Received (F.O.B. Value of Export)	Nil	Nil
TOTAL FOREIGN EXCHANGE USED		
i) Raw Materials	0	0
ii) Consumable Stores	0	0
iii) Capital Goods	0	0
iv) Foreign Travels	0	0
v) Others	0	0
Total	0	0

By order of Board of Directors
For Cremica Agro Foods Limited

Surendar Kumar Sood
(Independent Director)
DIN: 01091404
Office Address: 455, Sohan
Palace, 2nd floor, The Mall
Ludhiana-141001

Shantilal Sukalal Chaudhari
(Whole Time Director & CEO)
DIN: 02315224
Office Address: 455, Sohan
Palace, 2nd floor, The Mall
Ludhiana-141001

Date: 02nd September, 2022
Place: Ludhiana

ANNEXURE-F**A. DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

- i. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2021-22, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-22 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr.No.	Name of the Director/ KMP and Designation	Remuneration of Director / KMP for the financial year 2021-22	% increase in the remuneration in the financial year 2021-22	Ratio of Remuneration of each Director/ to median remuneration of employees	Comparison of the Remuneration of the KMP Against the performance of the Company
1.	Rishi Bector (CFO)	2,48,000	N.A	N.A	N.A
2.	Bhawna Makhija (Company Secretary) (Resigned On 16th April, 2021)	28,000	N.A	N.A	N.A
3.	Malti Devi (Company Secretary) (Appointed on 16 th April, 2021 and Resigned On 09 th May, 2022)	3,24,000	N.A	N.A	N.A

- ii. The median remuneration (average in this case) of employees of the company during the financial year is NIL.
- iii. In the financial year, there was no increase in the median remuneration of employees;
- iv. There were Two permanent employees on the rolls of company as on March 31, 2022;

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- V. No percentage increase made in the salaries of employees and in the salaries of managerial personnel in the last financial year i.e.2021-2022.
- Vi. It is hereby affirmed that the remuneration paid is as per the Appointment and Remuneration Policy of the Company for Directors, Key Managerial Personnel and other Employees.

A. DETAIL OF TOP TEN EMPLOYEES OF THE COMPANY IN TERMS OF SALARY DRAWN AS REQUIRED UNDER RULE 5(2) OF THE COMPANIES [APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL] RULES, 2014

Sr. No.	Name & Designation	Remunerati on received (In Rs)	Nature of Employment (Contractual or otherwise)	Qualification and Experience	Date of Commencement of Employment	Age	Last Employ ment	% age of Equity shares held	Whether relative of any director or manager
1.	Rishi Bector	2,39,697	Permanent	10+2	01.04.2016	46	N.A	Nil	No
2.	Bhawna Makhija (Resigned On 16 th April,2021)	14,000	Permanent	CS	29.12.2020	25	N.A	Nil	No
2.	Malti Devi	3,10,500	Permanent	CS	16.04.2021	26	N.A	Nil	No

By order of Board of Directors
For Cremica Agro Foods Limited

Surendar Kumar Sood
(Independent Director)
DIN: 01091404
Office Address: 455, Sohan
Palace, 2nd floor, The Mall
Ludhiana-141001

Shantilal Sukalal Chaudhari
(Whole Time Director & CEO)
DIN: 02315224
Office Address: 455, Sohan
Palace, 2nd floor, The Mall
Ludhiana-141001

Date: 02nd September,2022
Place: Ludhiana

Annexure –G

FORM NO. AOC –2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

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

2.Details of material contracts or arrangements or transactions at arm's length basis

A.Related Party Transactions with M/s Bectors Food Specialties Limited

(a) Name(s) of the related party and nature of relationship	Mrs. Bectors Food Specialties Limited hereinafter referred as MBFSL (a Public company which holds 43.09% equity shares of company)
(b) Nature of contracts/arrangements/transactions	Rent (Rs 70800/- yearly)
(c) Duration of the contracts/ arrangements/ transactions	Continuous Basis
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	Contracts or arrangements or transactions are at arm's length basis having value (in Rs.) as follows
(e) Justification for entering into such contracts or arrangements or transactions	Taking on lease the registered office of the Company
(f) Date(s) of approval by the board	11.02.2019

B. Related Party Transactions with Cremica Food Industries Limited

(a) Name(s) of the related party and nature of relationship	Cremica Food Industries Limited (a Limited company in which directors hold more than 2% shares)
(b) Nature of contracts/arrangements/transactions	Advance & Other Receivables (advance against Land purchase)
(c) Duration of the contracts/arrangements/transactions	Continuous Basis
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	Contracts or arrangements or transactions are at arm's length basis having value upto (in Rs) as follows Advance & Other Receivables Rs. 10620.78
(f) Date(s) of approval by the board	28.05.2019

By order of Board of Directors
For Cremica Agro Foods Limited

Surendar Kumar Sood
(Independent Director)
DIN: 01091404
Office Address: 455, Sohan
Palace, 2nd floor, The Mall
Ludhiana-141001
Date: 02nd September, 2022
Place: Ludhiana

Shantilal Sukalal Chaudhari
(Whole Time Director & CEO)
DIN: 02315224
Office Address: 455, Sohan
Palace, 2nd floor, The Mall
Ludhiana-141001

INDEPENDENT AUDITOR'S REPORT

To the Members of Cremica Agro Foods Limited

Report on the Audit of the Standalone Financial Statements

1. Opinion

We have audited the financial statements of **Cremica Agro Foods Limited**, which comprise the Balance sheet as at 31 March 2022, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

2. Basis for Opinion

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

3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

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

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information

included in the Company's annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is no material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Indian

Accounting Standards (Ind AS) and other accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 the 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 to give a true and fair view and are free from material misstatement, whether due to fraud and error.

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

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

6. Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

7. Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The balance sheet, the statement of profit and loss including other comprehensive income, the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.
 - e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company did not have any pending litigations as at 31 March 2022 on its financial position in its financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, to the financial statements, that 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 persons or entities, 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 ("Ultimate Beneficiaries") by or on behalf of the Company or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(b) The management has represented, that, to the best of its knowledge and belief, to the financial statements, no funds have been received by the Company from any persons or entities, 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 ("Ultimate Beneficiaries") by or on behalf of the Funding Party

- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(e) Based on such audit procedures as 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 (iv) (a) and (iv) (b) contain any material mis-statement.

v. The company has not paid any dividend during the year.

vi. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, there was no remuneration paid by the Company to its directors during the current year and accordingly provisions of section 197 of the Act are not applicable.

PLACE: LUDHIANA
DATE: 13th May, 2022

FOR ANUSH KALESHWAR & CO
Chartered Accountants
Firm's Registration No.: 013077N

CA ANUSH KALESHWAR
PARTNER
Membership NO. 091063
UDIN : 22091063AJTWM1927

Annexure A

referral to in clause 1 under 'Report on Other Legal and Regulatory Requirements' of the Independent Auditor's Report to the Members of Cremica Agro Foods Limited on the accounts for the year ended 31" March 2022.

We report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies noticed on such verification were not material and have been properly adjusted in the books of account.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties disclosed in the financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment.

(e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii)(a) The Company does not have any inventory and therefore reporting under clause 3(ii)(a) of the Order is not applicable to the Company.

(b) The Company has not been sanctioned working capital limits in excess of 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and therefore reporting under clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us, we report that the Company has not has made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Therefore reporting under clause 3(iii) of the Order is not applicable to the Company.

(iv) The Company has not has made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans. Therefore reporting under clause 3(iv) of the Order are not applicable to the Company.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Therefore reporting under clause 3(v) of the Order is not applicable to the Company.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 148 (1) of the Act for the products manufactured by it (and /or services provided by it). Therefore reporting under clause 3(vi) of the Order is not applicable to the Company.

(vii) (a) In respect of statutory dues:

According to the information and explanations given to us and on the basis of the records of the Company examined by us, in our

opinion, the Company has been regular in depositing undisputed applicable, if any statutory dues with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts in respect of statutory dues payable were

outstanding as on the last day of the financial year concerned for a period of more than six months from the date they became payable.

The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into Goods and Service Tax.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961, as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, the Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) On an overall examination of the financial statements of the Company, the Company has not raised any funds. Therefore reporting under clause 3(ix)(d) of the Order is not applicable.

(e) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Act) during the year ended 31" March 2022. Accordingly, clause 3(ix)(e) is not applicable.

(f) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Act) during the year ended 31" March 2022. Accordingly, clause 3(ix)(f) is not applicable.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to its by the management, there are no whistle blower complaints received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any

non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi)(a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) In our opinion and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) The Company is not a part of any group. Accordingly, clause 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion and according to the information and explanations given to us, the provision of sub section (5) of section 135 of the Act is not applicable to the Company. Therefore reporting under clause 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

FOR ANUSH KAILESHWAR & CO
Chartered Accountants
Firm's Registration No.: 013077N

CA ANUSH KAILESHWAR
PARTNER
Membership NO. 091063
UDIN : 22091063AJTWM1927

PLACE: LUDHIANA
DATE: 13th May, 2022

Annexure B to the Independent Auditors' report on the financial statements of Cremica Agro Foods limited for the period ended 31 March 2022

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

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

Opinion

We have audited the internal financial controls with reference to financial statements of Cremica Agro Foods limited (the Company") as of 31st March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31st March 2022, based on the internal financial controls with reference to 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 (the "Guidance Note").

Management's responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to 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 financial statements were established and maintained and whether 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of tire 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 financial statements.

Meaning of Internal financial controls with Reference to Financial Statements

A company's internal financial controls with reference to 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 controls with reference to financial statements include 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 Financial Statements

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

FOR ANUSK KAILESHWAR & CO
Chartered Accountants
Firm's Registration No.: 013077N

PLACE: LUDHIANA
DATE: 13th May, 2022

CA ANUSH KAILESHWAR
PARTNER
Membership NO. 091063
UDIN : 22091063AJTWM1927



SIGNIFICANT ACCOUNTING POLICIES

1. Reporting entity

Cremica Agro Foods Limited referred to as “the Company” is domiciled in India. The Company’s registered office is at 455, Sohan Palace, 2nd Floor, The Mall, Ludhiana-141001, Punjab, India. The Company is engaged in the business of manufacturing, trading and distribution of food products.

2. Significant Accounting Policies

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

a) a)Basis of preparation

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of Companies Act, 2013, (the ‘Act’) and other relevant provisions of the Act as amended from time to time.

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.

i) Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of Companies Act, 2013, (the ‘Act’) and other relevant provisions of the Act as amended from time to time.

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.

The financial statements of the Company for the year ended 31 March 2022 were approved for issue by the Company’s Board of Directors on 13 May 2022.

ii) Functional and presentation currency

These financial statements are presented in Indian Rupees, which is the Company’s functional currency. All amounts have been rounded to the nearest thousands, up to two places of decimal, unless otherwise stated.

iii) Basis of measurement

The financial statements have been prepared under the historical cost basis except for the following:

- Defined benefit liability/(assets): Fair value of the plan assets less present value of defined benefit obligations
- Certain financial assets and liabilities: measured at fair value

Fair value measurement

Fair value is the price that would be received from sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either –

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to/ by the Company.

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

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the changes have occurred.

Further information about the assumptions made in measuring fair values used in preparing these financial statements is included in note 26- Financial instruments.

iv) *Use of judgments and estimates*

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Judgements

Information about the judgments made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements have been given below:

- Note 26 - classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding;

v) *Current and non-current classification*

A number of the Company's accounting policies and **liabilities as current and non-current**

The Company presents assets and liabilities in the Balance Sheet based on current and non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle.
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax liabilities are classified as non-current liabilities.

The operating cycle is the time between the acquisition of the assets for processing and their realization in cash and cash equivalents.

The Company has identified twelve months as its operating cycle.

b) Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as a separate

item (major components) of property, plant and equipment.

Major machinery spares parts are classified as property, plant and equipment when they are expected to be utilized over more than one period. Other spares are carried as inventory and recognised in the Statement of Profit and Loss as and when consumed.

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

The cost of property, plant and equipment not ready for their intended use is recorded as capital work-in-progress before such date. Cost of construction that relate directly to specific property, plant and equipment and that are attributable to construction activity in general and can be allocated to specific property, plant and equipment are included in capital work-in-progress.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

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

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the statement of profit and loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at 1 April 2016, measured as per the previous GAAP and use that carrying value as the deemed cost of such property, plant and equipment.

Subsequent Measurement

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the statement of profit and loss when incurred.

Depreciation

Depreciation is calculated on cost of items of PPE (excluding freehold land) less their estimated residual values over their estimated useful lives using the straight-line method as per the rates corresponding to the useful life specific in Schedule II of the Companies Act, 2013.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed of).

Derecognition

A property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use and disposal. Losses arising from retirement and gains or losses arising from disposal of a tangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss.

c)Employee benefits

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

Post-employment benefits

Post-employment and other long term employee benefits are recognized as an expense in the Profit and Loss Statement for the year in which the employee has rendered services. The expense is estimated and made in the books of accounts as per mathematical calculation.

d)Revenue

i) Sale of goods

Under Ind AS 115, the Company recognized revenue when (or as) a performance obligation was satisfied, i.e. when 'control' of the goods underlying the particular performance obligation were transferred to the customer.

Further, revenue from sale of goods is recognized based on a 5-Step Methodology which is as follows:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

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

Revenue is recognised when a customer obtains control of the goods which is ordinarily upon delivery at the customer premises. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as goods and services tax, etc. For certain contracts that permit the customer to return an item, revenue is recognised to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognised will not occur. As a consequence, for those contracts for which the Company is unable to make a reasonable estimate of return, revenue is recognised when the return period lapses, or a reasonable estimate can be made.

ii) *Contract assets*

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

iii) *Contract liabilities*

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

iv) *Right of return*

Company provides a customer with a right to return on grounds of quality. The Company uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Company will be entitled. The requirements in Ind AS 115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Company recognises a refund liability. A right of return asset and corresponding adjustment to change in inventory is also recognised for the right to recover products from a customer

e) Recognition of interest income or expense

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument to:

- a) the gross carrying amount of the financial asset; or
- b) the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

f) Inventories

Inventories are measured at the lower of cost and net realizable value.

The cost of inventories includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

The comparison of cost and net realisable value is made on an item-by-item basis.

g) Provisions, contingent liabilities and contingent assets, commitments

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Expected future losses are not provided for.

A provision for onerous contract is recognised when the expected benefits to be derived by the company from a contract are lower than the unavoidable cost of meeting its obligation under the contract. The provision is measured at the present value of the lower of the

expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the company recognises any impairment loss on assets associated.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the entity. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

Contingent assets are not recognised in the financial statements but disclosed where an inflow of economic benefit is probable.

Commitments

Commitments include the amount of purchase order (net of advances) issued to pares for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting date.

h) Financial instruments

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

Financial assets

i) Initial recognition and measurement

The Company initially recognises financial assets on the date on which they are originated. The Company recognises the financial assets on the trade date, which is the date on which the Company becomes a party to the contractual provision of the instrument.

All financial assets are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset except assets measured at fair value through profit or loss

ii) Classifications and subsequent measurement

Classifications

The Company classifies its financial assets as subsequently measured at either amortised cost or fair value depending on the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Business model assessment

The Company makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management.

Assessment whether contractual cash flows are solely payments of principal and interest

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

iii) Reclassification of financial assets

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Company changes its business model for managing financial assets.

iv) Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when:

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

Financial liabilities

i) *Initial recognition and measurement*

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and loss, amortised cost, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of amortised cost, net of directly attributable transaction costs.

ii) *Classification and subsequent measurement*

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities measured at amortised cost

After initial recognition, financial liabilities are amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Financial Liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

iii) *Derecognition of financial liabilities*

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously ('the offset criteria').

i) **Impairment**

Impairment of financial assets

The Company recognises loss allowances for expected credit loss on financial assets measured at amortised cost. At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have detrimental impact on the estimated future cash flows of the financial assets have occurred.

Evidence that a financial asset is credit – impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for 90 days or more;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

Bank balances for which credit risk (i.e. the risk of default occurring over the expected life of financial instrument) has not increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be

subject to enforcement activities in order to comply with Company's procedures for the recovery of amount due.

Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest Group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Company's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses, if any, are recognised in the Statement of Profit and Loss.

In regard to assets for which impairment loss has been recognised in prior period, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

j) J) Income taxes

Income tax comprises current and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income. Section 115 BAA of the Income Tax Act 1961, introduced by Taxation Laws (Amendment) Ordinance, 2019 gives a one-time irreversible option to Domestic Companies for payment of corporate tax at reduced rates. The Company has opted to recognize tax expense at the new income tax rate as applicable to the Company.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance Sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the Balance Sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, 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 Company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

k) Leases

Leases under Ind AS 116 (applicable from 1 April 2019)

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. 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.

As lessee

The Company's lease asset classes primarily consist of leases for buildings. The Company, at the inception of a contract, assesses whether the contract is a lease or not. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contracts existing and entered on or after 1 April 2019.

The Company elected to use the following practical expedients on initial application:

- Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
- Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The Company recognises the lease payments associated with these leases as an expense in the Statement of Profit or Loss over the lease term.

l) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of Directors of the Company have been identified as being the Chief operating decision maker by the management of the Company.

m) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash in hand, demand deposits held with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

n) Cash flow statement

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

o) Earnings per share

Basic earnings/(loss) per share are calculated by dividing the net profit/(loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue and share split. For the purpose of calculating diluted earnings/ (loss) per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

Cremica Agro Foods Limited

(CIN: L15146PB1989PLC009676)

Cremica Agro Foods Limited (CIN: L15146PB1989PLC009676)

Balance Sheet as at 31 March 2022

(All amounts are in rupees '000', unless otherwise stated)

ASSETS

Non-current assets

Property, plant and equipment

Deferred tax assets

Other non-current assets

Total non-current assets

Current assets

Financial assets

(i) Cash and cash equivalents

(ii) Bank balances other than (ii) above

(iii) Other financial assets

Income tax assets (net)

Total current assets

Total assets

EQUITY AND LIABILITIES

Equity

Equity share capital

Other equity

Total equity

Current liabilities

Financial liabilities

(i) Trade payables

(a) Total outstanding dues of micro enterprises and small enterprises

(b) Total outstanding dues of creditors other than micro enterprises and small enterprises

(ii) Other financial liabilities

Other current liabilities

Current tax liabilities (net)

Total current liabilities

Total liabilities

Total equity and liabilities

Significant accounting policies

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

For Anush Kaileshwar & Co

Chartered Accountants

Firm's registration number: 013077N

CA Anush Kaileshwar

Partner

Membership No.: 091063

Place: Ludhiana

Date: 13 May 2022

ICAI UDIN: 22091063AJTWM19271

For and on behalf of the Board of Directors of
Cremica Agro Foods Limited

Surendar Kumar Sood

Chairman & Independent Director

DIN:-01091404

Shilpa Tiwari

Company Secretary

M. No:- A59374

Shantilal Sukalal Chaudhari

Whole Time Director & CEO

DIN NO.02315224

Rishi Bector Bector

Chief Financial Officer

As at

As at

31 March 2022

31 March 2021

Notes

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15

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-

38.79

33,120.78

55,586.40

4,107.83

-

-

44,955.00

46,991.52

51.51

525.00

326.44

4.33

907.28

907.28

92,853.80

38.15

29.19

42,197.07

6,491.27

51,700.00

477.85

18.08

44,955.00

46,034.58

9,178.67

525.00

258.36

-

9,962.03

9,962.03

100,951.61

100,951.61

Cremica Agro Foods Limited

(CIN: L15146PB1989PLC009676)

Cremica Agro Foods Limited (CIN: L15146PB1989LC009676)

Statement of Profit and Loss for the year ended 31 March 2022

(All amounts are in rupees '000', unless otherwise stated)

	Note	For the year ended 31 March 2022	For the year ended 31 March 2021
Income			
Revenue from operations	16	-	137.50
Other income	17	3,094.15	2,154.84
Total income		3,094.15	2,292.34
Expenses			
Purchase of stock-in-trade	18	-	125.00
Employee benefits expense	19	630.45	619.97
Depreciation expense	20	38.15	53.26
Other expenses	21	1,148.40	985.83
Total expenses		1,817.00	1,784.06
Profit before tax		1,277.15	508.28
Tax expense:	4		
Current tax		329.81	139.21
Deferred tax		(9.60)	(7.43)
		320.21	131.78
Profit for the year (A)		956.94	376.50
Other comprehensive income			
Items that will not be reclassified to profit or loss		-	1,787.90
Total other comprehensive income/ (loss) for the year (B)		-	1,787.90
Total comprehensive income for the year (A + B)		956.94	2,164.40
Earnings per equity share	22		
[nominal value of Rs. 10 (previous year Rs.10)]			
Basic		0.21	0.48
Diluted		0.21	0.48

Significant accounting policies

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For Anush Kaileshwar & Co
Chartered Accountants
Firm's registration number: 013077N

**For and on behalf of the Board of Directors of
Cremica Agro Foods Limited**

CA Anush Kaileshwar
Partner
Membership No.: 091063

Place: Ludhiana
Date: 13 May 2022
ICAI UDIN: 22091063AJTWM19271

Surendar Kumar Sood
Chairman & Independent Director
DIN:-01091404

Shilpa Tiwari
Company Secretary
M. No:- A59374

Shantilal Sukalal Chaudhari
Whole Time Director & CEO
DIN:-02315224

Rishi Bector Bector
Chief Financial Officer

Cremica Agro Foods Limited

(CIN: L15146PB1989PLC009676)

Cremica Agro Foods Limited (CIN: L15146PB1989LC009676) Statement of Changes in Equity for the year ended 31 March 2022 (All amounts are in rupees '000', unless otherwise stated)

(a) Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	4,495,500	44,955.00	4,495,500	44,955.00
Balance at the end of the year	4,495,500	44,955.00	4,495,500	44,955.00

(b) Other equity

Particulars	Note	Reserves & surplus		Total
		Capital reserve	Retained earnings	
Balance at 1 April 2020		8,448.00	35,422.18	43,870.18
Profit for the year		-	376.50	376.50
Other comprehensive income for the year	15	-	1,787.90	1,787.90
Total comprehensive income for the year		-	2,164.40	2,164.40
Balance at 31 March 2021		8,448.00	37,586.58	46,034.58
Profit for the year		-	956.94	956.94
Other comprehensive income for the year	15	-	-	-
Total comprehensive income for the year		-	956.94	956.94
Balance at 31 March 2022		8,448.00	38,543.52	46,991.52

Significant accounting policies 2

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For Anush Kaileshwar & Co
Chartered Accountants
Firm's registration number: 013077N

CA Anush Kaileshwar
Partner
Membership No.: 091063

**For and on behalf of the Board of Directors of
Cremica Agro Foods Limited**

Surendar Kumar Sood
Chairman & Independent Director
DIN:-01091404

Shantilal Sukalal Chaudhari
Whole Time Director & CEO
DIN:-02315224

Place: Ludhiana
Date: 13 May 2022
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Shilpa Tiwari
Company Secretary
M. No:- A59374

Rishi Bector Bector
Chief Financial Officer

Cremica Agro Foods Limited

(CIN: L15146PB1989PLC009676)

Cremica Agro Foods Limited (CIN: L15146PB1989PLC009676)

Statement of Cash Flows for the year ended 31 March 2022

(All amounts are in rupees '000', unless otherwise stated)

	For the year ended 31 March 2022	For the year ended 31 March 2021
A. Cash flow from operating activities		
Net profit before tax	1,277.15	508.28
Non-cash adjustments to reconcile profit before tax to net cash flows:		
Depreciation expense	38.15	53.26
Interest income	(3,094.15)	(2,154.84)
Operating profit before working capital changes	(1,778.85)	(1,593.30)
Movement in working capital:		
Decrease/ (increase) in other current financial assets	477.85	(449.68)
Decrease in non current assets	9,076.29	-
Increase in current liabilities	68.08	58.23
Cash generated from operations	(1,283.79)	(1,798.73)
Income tax paid (net of refund)	(307.40)	1,590.59
Net cash used in operating activities (A)	(1,591.18)	(208.14)
B. Cash flows from investing activities		
Net investments/ (redemption) in bank deposits (having original maturity of more than three months)	47,592.17	(7,749.96)
Interest received	3,094.15	2,154.84
Net cash from/ (used in) investing activities (B)	50,686.32	(5,595.12)
C. Cash flows from financing activities		
Repayments of current borrowings	-	(4,325.00)
Net cash used in financing activities (C)	-	(4,325.00)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	49,095.13	(10,128.26)
Cash and cash equivalents at the beginning of the year	6,491.27	16,619.53
Cash and cash equivalents at the end of the year	55,586.40	6,491.27

Notes:

1. Cash and cash equivalents include :

Balance with banks

- in current accounts

55,586.40

6,491.27

55,586.40

6,491.27

2. The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Ind AS 7 - on Statement of Cash Flow as notified under Companies(Accounts) Rules, 2015.

Significant accounting policies

As per our report of even date attached

2

For Anush Kaileshwar & Co

Chartered Accountants

Firm's registration number: 013077N

**For and on behalf of the Board of Directors of
Cremica Agro Foods Limited**

CA Anush Kaileshwar

Partner

Membership No.: 091063

Place: Ludhiana

Date: 13 May 2022

ICAI UDIN: 22091063AJTWM19271

Surendar Kumar Sood

Chairman & Independent Director

DIN:-01091404

Shilpa Tiwari

Company Secretary

M. No:- A5937

Shantilal Sukalal Chaudhari

Whole Time Director & CEO

DIN:-02315224

Rishi Bector Bector

Chief Financial Officer

Cremica Agro Foods Limited

(CIN: L15146PB1989PLC009676)

Cremica Agro Foods Limited (CIN: L15146PB1989PLC009676) Notes to the financial statements for the year ended 31 March 2022

(All amounts are in rupees '000', unless otherwise stated)

3. Property, plant and equipment

Particulars	Gross Block				Depreciation				Net Block	
	As at 1 April 2021	Additions during the year	Disposals	As at 31 March 2022	As at 1 April 2021	Change for the year	Disposals during the year.	As at 31 March 2022	As at 1 April 2021	As at 31 March 2022
Own assets										
Plant and machinery	254.51	-	-	254.51	236.93	17.58	-	254.51	17.58	-
Furniture and fixtures	139.76	-	-	139.76	120.14	19.62	-	139.76	19.62	-
Computer	178.31	-	-	178.31	177.36	0.95	-	178.31	0.95	-
Total	572.58	-	-	572.58	534.43	38.15	-	572.58	38.15	-

Particulars	Gross Block				Depreciation				Net Block	
	As at 1 April 2020	Additions	Disposal during the year	As at 31 March 2021	As at 1 April 2020	Change for the year	Disposals during the year	As at 31 March 2021	As at 1 April 2020	As at 31 March 2021
Own assets										
Plant and machinery	254.51	-	-	254.51	202.10	34.83	-	236.93	52.41	17.58
Furniture and fixtures	139.76	-	-	139.76	101.71	18.43	-	120.14	38.05	19.62
Computer	178.31	-	-	178.31	177.36	-	-	177.36	0.95	0.95
Total	572.58	-	-	572.58	481.17	53.26	-	534.43	91.41	38.15

4 Income Tax

A. Amounts recognised in profit or loss

Current tax expense

Current year

Tax adjustment for earlier years

Deferred tax credit

Changes in recognised temporary differences

Total tax expense

	For the year ended 31 March 2022	For the year ended 31 March 2021
Current year	330.66	139.41
Tax adjustment for earlier years	(0.85)	(0.20)
	329.81	139.21
Changes in recognised temporary differences	(9.60)	(7.43)
	(9.60)	(7.43)
	320.21	131.78

Cremica Agro Foods Limited

(CIN: L15146PB1989PLC009676)

B. Reconciliation of effective tax rate

Profit before tax from continuing operations

Tax using the Company's domestic tax rate

Tax effect of:

Non-deductible expenses

Others

Tax expense

For the year ended 31
March 2022

For the year ended 31 March 2021

Rate	Amount	Rate	Amount
25.17%	1,277.15	25.17%	508.28
	321.43		127.92
0.00%	-	0.08%	0.42
-0.10%	(1.22)	0.68%	3.44
25.08%	320.21	25.94%	131.78

C. Movement in deferred tax balances

Deferred Tax Assets

Property, plant and equipment

Sub- Total (a)

Deferred Tax Liability

Others

Sub- Total (b)

Net deferred tax assets (a)-(b)

As at 1 April 2021	Recognized in P&L	Recognized in OCI	As at 31 March 2022
29.19	9.60	-	38.79
29.19	9.60	-	38.79
-	-	-	-
-	-	-	-
29.19	9.60	-	38.79

Deferred Tax Assets

Property, plant and equipment

Sub- Total (a)

Deferred Tax Liability

Others

Sub- Total (b)

Net deferred tax assets (a)-(b)

As at 1 April 2020	Recognized in P&L	Recognized in OCI	As at 31 March 2021
21.76	7.43	-	29.19
21.76	7.43	-	29.19
-	-	-	-
-	-	-	-
21.76	7.43	-	29.19

5 Other non-current assets

Capital advances

As at 31 March 2022	As at 31 March 2021
33,120.78	42,197.07
33,120.78	42,197.07

6 Cash and cash equivalents

Balances with banks

In current account

55,586.40	6,491.27
55,586.40	6,491.27

7 Bank balances other than cash and cash equivalents above

Deposits due to be matured within 12 months of the reporting date

4,107.83	51,700.00
4,107.83	51,700.00

8 Other current financial assets

Interest accrued on deposits with banks

-	477.85
---	--------

-	477.85
---	--------

9 Income tax assets (net)

Advance income tax (net of provision for tax)

-	18.08
-	18.08

As at
31 March
2022

As at
31 March
2021

10 Equity share capital

Authorised

50,00,000 (as at 31 March 2021: 50,00,000) equity shares of Rs. 10/- each

50,000.00 50,000.00

Issued, subscribed and paid-up

44,955,00 (as at 31 March 2021: 44,95,500) equity shares of Rs. 10/- each

44,955.00 44,955.00

44,955.00 44,955.00

a. Terms and rights attached to equity shares

(i) The Company has issued one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The equity shareholders are entitled to receive dividend as declared from time to time.

(ii) In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

b. Reconciliation of number of shares outstanding at the beginning and end of the year :

Particulars	Number of Shares	Amount
Outstanding as at 1 April 2020	4,495,500	44,955.00
Outstanding as at 31 March 2021	4,495,500	44,955.00
Outstanding as at 31 March 2022	4,495,500	44,955.00

c. Details of shareholders holding more than 5% shares in the Company:

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Equity shares of Rs.10 each fully paid				
Mrs. Bectors Food Specialities Limited	1,937,268	43.09%	1,937,268	43.09%
Cremica Food Industries Limited	677,040	15.06%	677,040	15.06%

d. Promotor Shareholding

Promoter Name	No. of Shares	As at 31 March 2022		No. of Shares	As at 31 March 2021	
		% of total share	% of change during the year		% of total share	% of change during the year
Anoop Bector	54,039	1.20%	0.00%	54,039	1.20%	0.00%
Dharmvir Bector*	50,325	1.12%	0.00%	50,325	1.12%	0.00%
Mrs. Bectors Food Specialities Limited	1,937,268	43.09%	0.00%	1,937,268	43.09%	0.00%
Total	2,041,632	45.42%	0.00%	2,041,632	45.42%	0.00%

Mr. Dhamravir Bector (Promoter & PAC) passed away on 26th December 2017. The Company is yet to receive a request for transmission of his equity shares; therefore 54,039 equity shares are still held in the name of Mr. Dharmvir Bector

a. During the five years immediately preceding 31 March 2022 ('the year'), neither any bonus shares have been issued nor any shares have been bought back. Further, no shares have been issued for consideration other than cash.

Cremica Agro Foods Limited

(CIN: L15146PB1989PLC009676)

11 Other equity

a Capital Reserve

Balance at the beginning of the year
Less: Movement during the year
Balance at the end of the year

As at
31 March
2022

As at
31 March
2021

8,448.00 8,448.00

8,448.00 8,448.00

b Retained earnings

Balance at the beginning of the year
Add: Profit for the year
Add: Other comprehensive income for the year
Balance at the end of the year

37,586.58 35,422.18

956.94 376.50

- 1,787.90

38,543.52 37,586.58

46,991.52 46,034.58

Total

Nature of reserves

Retained earnings

Retained earnings comprises of undistributed earnings after taxes.

12 Trade payables

Trade payables

- Total outstanding dues of micro enterprises and small enterprises*
- Total outstanding dues of creditors other than micro enterprises and small enterprises

As at
31 March 2022

As at
31 March 2021

- -

51.51 9,178.67

51.51 9,178.67

Trade payable ageing schedule

As at 31 March 2022	Unbilled/ Not Due	< 1 year	1 year to 2 years	2 year to 3 years	> 3 years	Total
Total outstanding dues of micro and small enterprises	-	-	-	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	-	51.51	-	-	-	51.51
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro small	-	-	-	-	-	-
Total	-	51.51	-	-	-	51.51

As at 31 March 2021	Unbilled/ Not Due	< 1 year	1 year to 2 years	2 year to 3 years	> 3 years	Total
Total outstanding dues of micro and small enterprises	-	-	-	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	-	186.02	-	-	8,992.65	9,178.67
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro small	-	-	-	-	-	-
Total	-	186.02	-	-	8,992.65	9,178.67

* Refer note 24 for disclosures required under MSMED Act.

13 Other financial liabilities

Security and other trade deposits

525.00 525.00

525.00 525.00

14 Other current liabilities

Statutory dues

5.20 7.00

Other payables

63.55 55.50

Employee payable

257.69 195.86

326.44 258.36

15 Current tax liabilities (net)

Income tax (net of advance tax)

4.33 -

4.33 -

Cremica Agro Foods Limited (CIN: L15146PB1989LC009676) Notes to the financial statements for the year ended 31 March 2022 (All amounts are in rupees '000', unless otherwise stated)

16 Revenue from operations	As at 31 March 2022	As at 31 March 2021
Sale of products	-	137.50
Total revenue from operations	-	137.50
17 Other income	As at 31 March 2022	As at 31 March 2021
Interest income from financial assets at amortized cost	3,073.96	2048.30
Interest income from others	-	106.54
Other miscellaneous income	1.74	-
Excess & short recovery	18.45	-
	3,094.15	2154.84
18 Purchase of stock-in-trade	As at 31 March 2022	As at 31 March 2021
Opening inventories	-	-
Add: Purchases (net)	-	125.00
Less: Closing inventories	-	125.00
19 Employee benefits expense	As at 31 March 2022	As at 31 March 2021
Salaries and wages	630.45	619.97
	630.45	619.97
20 Depreciation expense	As at 31 March 2022	As at 31 March 2021
Depreciation on property, plant and equipment	38.15	53.26
	38.15	53.26
21 Other expenses*	As at 31 March 2022	As at 31 March 2021
Rent	130.80	130.80
Rates and taxes	66.30	16.02
Payment to auditor (refer note (a) below)	55.05	32.45
Legal and professional fees	372.76	382.40
Impairment of assets	100.00	-
Miscellaneous expenses	423.49	424.16
	1,148.40	985.83

*Other balances includes sundry balances written off (net). The detail are as under:-

Sundry balances written off	5,140.00
Sundry balances written back	5,056.26

(a) Payment to auditors

As auditor		
Statutory audit	55.05	32.45
	55.05	32.45

22 Earning per share (EPS)	As at 31 March 2022	As at 31 March 2021
A. Basic earnings per share Statutory audit		
<i>i. Profit for basic earning per share of Rs. 10 each</i>	956.94	2164.40
Profit for the year		
<i>ii. Weighted average number of equity shares for (basic)</i>	4495.50	4495.50
Balance at the beginning of the year	4495.50	4495.50
Basic Earnings per share (face value of Rs. 10 each)	0.21	0.48
B. Diluted Earnings per share (face value of Rs. 10 each)		
<i>i. Profit for basic earning per share of Rs. 10 each</i>	956.94	2164.40
Profit for the year		
<i>ii. Weighted average number of equity shares for (diluted)</i>	4495.50	4495.50
Balance at the beginning of the year	4495.50	4495.50
Diluted Earnings per share (face value of Rs. 10 each)	0.21	0.48

23. Contingent liabilities, contingent assets and commitments

A. Contingent Liabilities

The Company does not have any contingent liabilities as on 31 March 2022 (as on 31 March 2021 Rs. Nil)

B. Contingent Assets

The Company does not have any contingent assets as on 31 March 2022 (as on 31 March 2021 Rs. Nil)

C. Commitments

Estimated amount of contracts remaining to be executed on capital account (net of advances) Rs. Nil (as on 31 March 2021 Rs. Nil).

24. The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Enterprises should mention in their correspondences with its customers the Entrepreneurs Memorandum Number as allocated after filing of Accordingly, the disclosure in respect of amounts payable to such enterprises as at the year end has been made in the financial statements b available with the Company as under -

	As at 31 March 2022	As at 31 March 2021
Principal amount remaining unpaid to any supplier as at the end of the year	-	-
Trade payables	-	-
Capital creditors	-	-
Interest due thereon remaining unpaid to any supplier as at the end of the year	-	-
Trade payables	-	-
Capital creditors	-	-
The amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 - along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the	-	-
The amount of interest accrued and remaining unpaid at the end of the year	-	-
Trade payables	-	-
Capital creditors	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under	-	-
Trade payables	-	-
Capital creditors	-	-

25. Related parties transaction

(a) Names of related parties and nature of relationship

31 March 2022
A. Key Management Personnel S.S Chaudhary, Whole Time Director & CEO Rishi Bector, Chief Financial Officer Malti Devi Company Secretary, (Joined on 16.04.2021, resigned on 09.05.22) Bhawana Makhija Company Secretary (Joined on 29.12.2020, resigned on 16.04.2021) Nageeta Chander, Company Secretary (Resigned on 09.11.2020) Shilpa Tiwari Company Secretary, Joined on 13.05.22
B. Entities under which Key Management Personnel are interested Mrs. Bectors Cremica Dairies Private Limited Mrs. Bectors Food Specialities Limited Cremica Food Specialities Limited
Sunshine Foods Hira Mal Lachman Das Him Valley Food Processors

(b) Transactions with related parties during the course of ordinary business :

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over those entities. A number of these entities transacted with the Company during the reporting period. The terms and conditions of the transactions with key management personnel and their related parties were no more favourable than those available, or those which might reasonably be expected to be available, in respect of similar transactions with non-key management personnel related entities on an arm's length basis.
The aggregate value of the Company's transactions relating to key management personnel and entities over which they have control or significant influence is as follows:

Transactions	31 March 2022	31 March 2021
-Entities controlled by KMPs		
Rent paid		
- Mrs. Bectors Food Specialities Limited	70.80	70.80

(c) Details of balances with related parties at year end

Outstanding balances	31 March 2022	31 March 2021
Related party balances as at the year end:		
Trade and other payables/payable for capital goods		
-Associates	-	3,971.69
Advances and other receivables		
-Entities controlled by KMPs	10,620.78	14,557.07

26 Financial instruments – Fair values and risk management

I. Accounting classifications and fair values

A. Financial instruments by categories :

	As at 31 March 2022		As at 31 March 2021	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial assets				
Cash and cash equivalents	-	55,586.40	-	6,491.27
Bank balances other than cash and cash equivalents	-	4,107.83	-	51,700.00
Other current financial assets	-	-	-	477.85
	-	59,694.23	-	58,669.12
Financial liabilities				
Trade payables	-	51.51	-	9,178.67
Other financial liabilities	-	525.00	-	525.00
	-	576.51	-	9,703.67

B. Fair value hierarchy

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

Particulars	As at 31 March 2022			Total
	Level 1	Level 2	Level 3	
Financial assets				
Cash and cash equivalents	-	-	55,586.40	55,586.40
Bank balances other than cash and cash equivalents	-	-	4,107.83	4,107.83
Total financial assets	-	-	59,694.23	59,694.23
Financial liabilities				
Trade payables	-	-	51.51	51.51
Other financial liabilities	-	-	525.00	525.00
Total financial liabilities	-	-	576.51	576.51

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

Particulars	As at 31 March 2021			Total
	Level 1	Level 2	Level 3	
Financial assets				
Cash and cash equivalents	-	-	6,491.27	6,491.27
Bank balances other than cash and cash equivalents	-	-	51,700.00	51,700.00
Other current financial assets	-	-	477.85	477.85
Total financial assets	-	-	58,669.12	58,669.12
Financial liabilities				
Trade payables	-	-	9,178.67	9,178.67
Other financial liabilities	-	-	525.00	525.00
Total financial liabilities	-	-	9,703.67	9,703.67

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices/ NAV published.

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

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

There are no transfers between level 1 and level 2 during the year.

Valuation process

The finance department of the Company performs the valuations of financial assets and liabilities required for financial reporting purposes for level 3 fair values. The

Company relies on them for instruments measured using level 1 valuation. Discussions of valuation processes and results are held between the management and the finance team at least once every year in line with the Company's reporting years.

Changes in level 2 and 3 fair values are analysed at the end of each reporting year.

Cremica Agro Foods Limited

(CIN: L15146PB1989PLC009676)

C. Fair value of financial assets and liabilities measured at amortised cost

	As at 31 March 2022		As at 31 March 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Cash and cash equivalents	55,586.40	55,586.40	6,491.27	6,491.27
Bank balances other than cash and cash equivalents	4,107.83	4,107.83	51,700.00	51,700.00
Other current financial assets	-	-	477.85	477.85
Financial liabilities	59,694.23	59,694.23	58,669.12	58,669.12
Trade payables	51.51	51.51	9,178.67	9,178.67
Other current financial liabilities	525.00	525.00	525.00	525.00
	576.51	576.51	9,703.67	9,703.67

The carrying amounts of trade receivables, cash and cash equivalents, other bank balances, current loans, other current financial assets, short-term borrowings, trade payables, other current financial liabilities are considered to be the same as their fair values, due to their short-term nature. Non-current borrowings represents approximate to the fair values. Accordingly, the same has not been discounted.

The fair values for security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit.

II. Financial risk management

Risk management framework

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's internal auditor oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the management.

The Company has exposure to the following risks arising from financial instruments:

- credit risk;
- liquidity risk; and
- market risk

i. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the Company. Credit risk arises principally from trade receivables, derivative financial instruments, loans and advances, cash and cash equivalents and deposits with banks.

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The Company establishes an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables. An impairment analysis is performed at each reporting date.

The risk management committee has established a credit policy under which each new customer is analysed individually for credit worthiness before the standard payments and delivery terms & conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the appropriate authority as per policy. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are a institutional, dealers or end-user customer, their geographic location, industry, trade history with the Company and existence of previous financial difficulties.

A default on a financial asset is when counterparty fails to make payments within 90 days when they fall due.

The Company based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Company estimates its allowance for trade receivable using expected credit loss. Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

Cremica Agro Foods Limited

(CIN: L15146PB1989PLC009676)

Cremica Agro Foods Limited (CIN: L15146PB1989PLC009676)
Notes to the financial statements for the year ended 31 March 2022
(All amounts are in rupees '000', unless otherwise stated)

Cash and cash equivalents and deposits with banks

Cash and cash equivalents of the Company are held with banks which have high credit rating. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

Security deposits

The Company furnished security deposits to its lessors for obtaining the premises on lease and margin money deposits to banks. The Company considers that its deposits have low credit risk or negligible risk of default as the parties are well established entities and have strong capacity to meet the obligations. Also, where the Company expects that there is an uncertainty in the recovery of deposit, it provides for suitable impairment on the same.

ii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the cash flow generated from operations to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the operating companies of the Company in accordance with practice and limits set by the Company. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Maturities of financial liabilities

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

	Carrying amount As at 31 March 2022	Total	Contractual cash flows Upto 1 year	Between 1 and 5 years	More than 5 year
Financial liabilities					
Trade payables	51.51	51.51	51.51	-	-
Other current financial liabilities	525.00	525.00	525.00	-	-
Total	576.51	576.51	576.51	-	-

	Carrying amount As at 31 March 2021	Total	Contractual cash flows Upto 1 year	Between 1 and 5 years	More than 5 year
Financial liabilities					
Trade payables	9,178.67	9,178.67	9,178.67	-	-
Other current financial liabilities	525.00	525.00	525.00	-	-
Total	9,703.67	9,703.67	9,703.67	-	-

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27 Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital on a yearly basis as well as the level of dividends to ordinary shareholders which is given based on approved dividend policy.

The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The Company capital consists of equity attributable to equity holders that includes equity share capital and retained earnings.

	As at 31 March 2022	As at 31 March 2021
Total liabilities	907.28	9,962.03
Less: Cash and cash equivalents	55,586.40	6,491.27
Less: Bank balances other than cash and cash equivalents	4,107.83	51,700.00
Adjusted total liabilities (a)	(58,786.95)	(48,229.24)
Total equity (b)	91,946.52	90,989.58
Capital gearing ratio (a/b)	-63.94%	-53.01%

As a part of its capital management policy the company ensures compliance with all covenants and other capital requirements related to its contractual obligations.

28 Corporate Social Responsibility

The provision of Section 135 of the Companies Act 2013 regarding corporate social responsibility are not applicable to the Company.

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Notes to the financial statements for the year ended 31 March 2022

(All amounts are in rupees '000', unless otherwise stated)

29 Ratios as per Schedule III requirements

Sl.No	Description	Numerator	Denominator	31 March 2022	31 March 2021	Variance	Reasons of variance
1	Current Ratio	Current Assets	Current Liabilities	65.79	5.89	1,016.85	The FDR Amount on redemption credit in current account as on 31.03.22
2	Debt Equity Ratio	Total Debt	Shareholders Equity	Nil	Nil	Nil	The Company has not taken any loan
3	Debt Service coverage Ratio	Earning available to Debt Service	Debt Service	Nil	Nil	Nil	The Company has not taken any loan
4	Return on Equity (ROE)	Net Profit after Taxes	Average share holders equity	0.02	0.01	154.17	The figures are very low & also profit falls due to less interest earned in the last quarter because fdr balance remain in current account
5	Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	Nil	Nil	Nil	The company No stock balance
6	Trade Receivables turnover Ratio	Net Credit Sales	Average trade receivables	Nil	Nil	Nil	No balance recoverable from debtors
7	Trade payables turnover Ratio	Net Credit Purchase	Average trade payables	0.29	4.35	(93.25)	During the year creditors written off/paid
8	Net Capital Turnover Ratio	Revenue	Working capital	5.26	4.70	11.88	No significant variance
9	Net Profit Ratio	Net Profits	Revenue	30.93	16.42	88.30	Due to revenue increase but fall in expenses the ratio improve
10	Return on capital employed (ROCE)	Earning before interest & taxes	Capital employed	1.39	0.56	148.65	Due to revenue increase but fall in expenses the ratio improve
11	Return on Investment ROI)						
	Quoted	Income generated from Investments	Time Weighted average Investments	Nil	Nil	Nil	No quoted investment made by the company
	Unquoted	Income generated from Investments	Time Weighted average Investments	Nil	Nil	Nil	No unquoted investment made by the company

Cremica Agro Foods Limited (CIN: L15146PB1989PLC009676)

Notes to the financial statements for the year ended 31

March 2022 (All amounts are in rupees '000', unless otherwise stated)

30 Leases:

A. Leases as lessee Operating leases:

The Company has taken office and residential premises under cancellable operating lease agreements. Lease payments charged during the year in Statement of Profit and Loss aggregate Rs. 130.80 (31 March 2021: Rs. 130.80).

31 Impact of COVID 19 (Global Pandemic) on Business

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of these audited financial statements including but not limited to the recoverability of carrying amounts of financial and non-financial assets, its assessment of liquidity and going concern assumption. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has, at the date of approval of these audited financial statements, used internal and external sources of information and expects that the carrying amount of these assets will be recovered.

The Company continues to take adequate safety precautions and will continue to closely monitor future economic conditions to ensure business continuity.

32 The Company does not have any Benami property, where any proceeding have been initiated against the Company for holding any benami transactions (Prohibition) Act, 1988 (45 of 1988).

33 The Company has not been declared as wilful defaulter by any bank or financial Institution or other lender.

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

35 The Company does not have any such transactions 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).

36 The Company has not advanced or loaned or invested funds (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:

- (a) directly or indirectly lend or invest in other person 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

37 The Company has not received any fund from any person or entity, including foreign entities (Funding parties) with the understanding (whether recorded in writing or otherwise) that the Company shall

- (a) directly or indirectly lend or invest in other person or entities identified in any manner whatsoever by or on behalf of the funding
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

38 The Company has not traded or invested in Crypto currency or Virtual currency during the financial year.

39 Loans to Director: There are no loans or advances in the nature of loans are granted to Promoters, Directors, KMPs and their related parties (as defined under Companies Act, 2013) either severally or jointly with any other person, that are:

- (a) repayable on demand; or
- (b) without specifying any terms or period of repayment

40 The Company does not have any charge or satisfaction thereof which is pending for registration with ROC beyond the statutory period

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- 41 Compliance with number of layers prescribed under clause (87) of Section 2 of the Act read with Companies (restriction on number of layers) Rules, 2017 is not applicable as there is no subsidiary.
- 42 The Company has not borrowed from banks or financial institution on the basis of security of current assets.

For Anush Kaileshwar & Co

Chartered Accountants

Firm's registration number: 013077N

For and on behalf of the Board of Directors of

Cremica Agro Foods Limited

CA Anush Kaileshwar

Partner

Membership No.: 091063

Place: Ludhiana

Date: 13 May 2022

ICAI UDIN: 22091063AJTWTMI9271

Surendar Kumar Sood

*Chairman & Independent
Director*

DIN:-01091404

Shilpa Tiwari

Company Secretary
M. No:- A59374

Shantilal Sukalal

Chaudhari

*Whole Time Director &
CEO*

DIN:-02315224

Rishi Bector Bector

Chief Financial Officer

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