

# Aayush Food and Herbs Limited

CIN: L01122DL1984PLC018307

Registered Office: 55, 2nd Floor, Lane 2, Westend Marg, Saidullajab, Near Saket Metro Station, New Delhi, Delhi 110030  
Tel.: 011-41009092 Email: aayushfoodherbs06@gmail.com Website: www.aayushfoods.com

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**September 08, 2023**

**To,**  
**The Chief General Manager**  
**Listing Operation,**  
**BSE Limited,**  
20<sup>th</sup> Floor, P. J. Towers,  
Dalal Street,  
Mumbai – 400 001.  
(Scrip Code: 539528; Scrip Id: AAYUSH)

**The Listing Department**  
**Metropolitan Stock Exchange of India Limited,**  
Vibgyor Towers, 4<sup>th</sup> floor, Plot No C 62, G - Block,  
Opp. Trident Hotel, Bandra Kurla Complex, Bandra (E),  
Mumbai – 400 098  
(Symbol – AAYUSH, Series – EQ)

Dear Sir/Madam,

**Ref: Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

**Sub: Annual Report under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

To comply with regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015), we are enclosing herewith the Annual Report of the Company for the Financial Year 2022-23. The same is also available on the website of the company at [www.aayushfoods.com](http://www.aayushfoods.com).

The 39<sup>th</sup> Annual General Meeting of the Company will be held on Saturday, 30<sup>th</sup> September 2023 at 02:00 P.M. IST through Video Conference (VC)/ Other Audio Video Means (OAVM).

We hereby request you to take the same on your record.

Thanking You,

**For Aayush Food and Herbs Limited**

**Naveenakumar Kunjaru**  
**Managing Director**  
**DIN: 07087891**



**Aayush Food and Herbs Limited**

**Annual Report 2022-23**



Particulars
Corporate Information
Notice
Director's Report
Management Discussion Analysis
Independent Directors Declaration
Secretarial Audit Report
CFO Certificate
Chairman's Declaration on Code of Conduct
Independent Auditor's Report
Balance Sheet
Profit & Loss Account
Cash Flow Statements
Accounting Policies and Notes on Accounts

## **CORPORATE INFORMATION**

**CIN: L01122DL1984PLC018307**

### **BOARD OF DIRECTORS:**

Ms. Pallavi Mittal	Non-Executive Director
Mr. Naveen Kumar Kunjaru	Managing Director & Chairman
Mr. Akshay Vijay Nawale	Executive Director
Mr. Sanjay Atmaram Devlekar	Additional Director (Non-Executive, Independent Director)
Ms. Vishakha Umesh Jadhav	Additional Director (Non-Independent, Executive Director)
Mr. Rajgopalan Srinivasa Iyengar	Additional Director (Non-Independent, Executive Director)

### **KEY MANAGERIAL PERSONNEL:**

Mr. Akshay Vijay Nawale	CFO
Ms. Urmi Haresh Shah	Company Secretary & Compliance Officer

### **STATUTORY AUDITORS:**

M/s TDK & Co.

### **BANKERS:**

- Kotak Mahindra Bank Limited
- Union Bank of India
- IndusInd Bank
- IDFC First bank

### **REGISTERED OFFICE:**

55, 2nd Floor, Lane 2, Westend Marg, Saidullajab, Near Saket Metro Station, New Delhi, Delhi 110030.

Ph. #011-41009092, 46095455

E-Mail: [aayushfoodherbs@gmail.com](mailto:aayushfoodherbs@gmail.com)

Website: [www.aayushfoods.com](http://www.aayushfoods.com)

### **REGISTRAR AND SHARE TRANSFER AGENT:**

Beetal Financial & Computer Services (P) Ltd

Beetal House, 3rd Floor, 99 Madangir,

Behind Local Shopping Centre,

Near Dada Harsukh Dass Mandir, New Delhi – 110062

Ph. # 011-29961281 Fax#011-29961284

E-Mail: [beetalrta@gmail.com](mailto:beetalrta@gmail.com)

Website: [www.beetalfinancial.com](http://www.beetalfinancial.com)

### **STOCK EXCHANGE:**

BSE Limited

Metropolitan Stock Exchange of India Limited

**Aayush Food and Herbs Limited**  
**Annual Report FY 2022-23**

**ISIN:**

INE430R01015

**SECRETARIAL AUDITOR**

M/s PRACHI BANSAL AND ASSOCIATES,  
Company Secretary in Practice  
(C.P. No. 23670)

**AAYUSH FOOD AND HERBS LIMITED**  
**CIN: L01122DL1984PLC018307**  
**Registered Office: 55, 2<sup>nd</sup> Floor, Lane 2, Westend Marg, Saidullajab, Near Saket Metro Station,**  
**New Delhi, Delhi – 110 030.**  
**Tel No.: 011-46095455, 011-41009092**  
**Email: aayushfoodherbs06@gmail.com**  
**Website: www.aayushfoods.com**

## **NOTICE OF 39<sup>TH</sup> ANNUAL GENERAL MEETING**

**NOTICE is hereby given that the 39<sup>th</sup> Annual General Meeting of the Company will to be held on Saturday, 30<sup>th</sup> September 2023, at 02:00 P.M. (IST) through Video Conferencing ('VC')/Other Audio-Visual Means ('OAVM') facility to transact the following business:**

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March 2023 together with the reports of the Board of Directors and Auditors thereon.

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

**"RESOLVED THAT** the Audited Financial Statements of the Company for the financial year ended on 31<sup>st</sup> March 2023 and the Reports of the Board of Directors and the Auditors thereon, as circulated to the members, be and are hereby received, considered and adopted."

2. There are no Directors being offered for Re-appointment/retirement by Rotation in the Company for the Financial year 2022-23.

### **SPECIAL BUSINESSES:**

3. Regularize Appointment of Mr. Rajgopalan Srinivasa Iyengar (DIN: 00016496) as a Non-Executive Independent Director of the company.

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

**"RESOLVED THAT** in accordance with the provisions of Sections 149, 150, 152, 161(1) and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), and the Rules made thereunder, read with Schedule IV of the Act and Regulation 16(1)(b) and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations') (including and statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendation of the Nomination and Remuneration Committee, Mr. Rajgopalan Srinivasa Iyengar (DIN: 00016496), who was appointed as an Additional Director, designated as Non-Executive Independent Director of the Company by the Board of Directors of the Company with effect from June 27, 2023 and who has submitted a declaration that he meets the criteria of Independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 (five) consecutive years with effect from June 27, 2023.

**Aayush Food and Herbs Limited**  
**Annual Report FY 2022-23**

**RESOLVED FURTHER THAT** any Director of the Company be and is hereby authorized to sign and file requisite e-forms with the Registrar of Companies and to do all such acts, deeds, matters and things as may be deemed necessary to give effect to this resolution.”

4. Regularize Appointment of Mr. Sanjay Atmaram Devlekar (DIN: 07847440) as a Non-executive Independent Director of the Company:

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

**“RESOLVED THAT** in accordance with the provisions of Sections 149, 150, 152, 161(1) and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), and the Rules made thereunder, read with Schedule IV of the Act and Regulation 16(1)(b) and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”) (including and statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendation of the Nomination and Remuneration Committee, Mr. Sanjay Atmaram Devlekar (DIN: 07847440), who was appointed as an Additional Director, designated as Non-Executive Independent Director of the Company by the Board of Directors of the Company with effect from May 30, 2023 and who has submitted a declaration that he meets the criteria of Independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 (five) consecutive years with effect from May 30, 2023.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

5. Regularize Appointment of Ms. Vishakha Umesh Jadhav (DIN: 10064103) as Non-Executive Independent Director of the company.

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

**“RESOLVED THAT** in accordance with the provisions of Sections 149, 150, 152, 161(1) and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), and the Rules made thereunder, read with Schedule IV of the Act and Regulation 16(1)(b) and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”) (including and statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendation of the Nomination and Remuneration Committee, Ms. Vishakha Umesh Jadhav (DIN: 10064103), who was appointed as an Additional Director, designated as Non-Executive Independent Director of the Company by the Board of Directors of the Company with effect from April 17, 2023 and who has submitted a declaration that he meets the criteria of Independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 (five) consecutive years with effect from April 17, 2023.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

**Aayush Food and Herbs Limited**  
**Annual Report FY 2022-23**

6. Appointment of M/s. TDK & Co., Chartered Accountants (FRN: 109804W) as the statutory Auditors of the Company.

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

**“RESOLVED THAT** pursuant to the provisions of section 139(8) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment (s) thereof for the time being in force, M/s. TDK & Co., Chartered Accountants (FRN: 109804W), be and are hereby appointed as Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. G A M S & Associates LLP, Chartered Accountants (FRN.: 0N500094).

**RESOLVED FURTHER THAT** M/s. TDK & Co., Chartered Accountants, (FRN: 109804W), be and are hereby appointed as Statutory Auditors of the Company from this Annual General Meeting till the conclusion of Annual General Meeting to be held in the year 2024 at such remuneration and reimbursement of out-of-pocket expenses incurred as may be mutually agreed between the Board of Directors of the Company and the Auditors.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to do all such acts, deeds and things as may be deemed necessary and expedient to give effect to the aforesaid resolution.”

**By Order of the Board of Directors**  
**For Aayush Food and Herbs Limited**

Sd/-

**Naveenakumar Kunjaru**

**Managing Director**

**DIN: 07087891**

**Date: September 05, 2023**

**Place: New Delhi**

**Aayush Food and Herbs Limited**  
**Annual Report FY 2022-23**

**Notes:**

1. In compliance with the various Circulars issued by Ministry of Corporate Affairs ("MCA"), this AGM Notice along with the Annual Report for the financial year 2022-23 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories. The AGM notice and Annual Report of the Company are also made available on the Company's website at [www.aayushfoods.com](http://www.aayushfoods.com) and on the website of the Stock Exchanges where the shares of the Company have been listed viz., BSE Limited and Metropolitan Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.msei.in](http://www.msei.in) respectively.
2. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to the Notice.
3. Corporate Members (i.e., other than individual / HUF, NRI etc.) intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a duly certified copy of the Board Resolution authorizing their representative to attend the AGM through VC / OAVM and to vote through remote e-voting.
4. The Explanatory Statement setting out material facts, pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business under Item No. 3, 4 & 5 of the accompanying Notice are annexed hereto.
5. 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, provided the votes are not already cast by remote e-voting facility by first holder.
6. Member(s) whose names appear on the Register of Members/List of Beneficial Owners as on the cut-off date i.e., September 23, 2023 will be entitled to vote on the resolutions set forth in this Notice. The instructions for e-voting are annexed to this Notice.
7. The Register of Members and Share Transfer Books of the Company will remain closed from September 24, 2023 to September 30, 2023 (both days inclusive), for purposes of AGM.
8. Members are requested to notify immediately any change in their all correspondence to the Company / Registrars and Transfer Agents of the Company.
9. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
10. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from 1 April 2019, 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 the Company or Company's Registrar and Transfer Agent ("RTA"), Beetal Financial & Computer Services (P) Ltd. for assistance in this regard.
11. Members desirous of obtaining any detailed information concerning the accounts and operations of the

**Aayush Food and Herbs Limited**  
**Annual Report FY 2022-23**

Company are requested to address their queries to the Company Secretary so as to reach the Company at least seven days before the date of the meeting so that the required information may be made available at the meeting. Shareholders/investors may contact the Company on designated e-mail id aayushfoodherbs@gmail.com for speedy action from Company's end.

12. In support of the "Green Initiative", announced by the Government of India, electronic copies of the Annual Report and this Notice inter alia indicating the process and manner of e-voting are being sent by e-mail to those members whose e-mail addresses have been made available to the Depository Participants / Company / RTA.
13. Members holding shares in physical form are requested to submit their e-mail address to the RTA, duly quoting their Folio number and Members holding shares in electronic form who have not registered their e-mail address with their DP are requested to do so at the earliest so as to enable the Company to send the said documents in electronic form, thereby supporting the green initiative of the MCA.
14. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
15. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
16. Voting through electronic means:
  - (i) Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and any other rule as may be applicable including amendments thereof, a member may exercise right to vote by electronic means (remote e - voting) in respect of the Resolutions contained in this notice.
  - (ii) The Company is providing the e - voting facility to its members to enable them to cast their votes electronically. The Company has engaged the services of by Central Depository Services (India) Limited (CDSL) as the authorised agency to provide e - voting facility which is approved by Ministry of Corporate Affairs and has also obtained a Certificate from the Standardisation Testing and Quality Certification Directorate, Department of Information Technology, Ministry of Communications and Information Technology, Government of India, as prescribed under the Companies (Management and Administration) Amendments Rules, 2015.
  - (iii) The members who opt to cast their votes by remote e - voting prior to the meeting, may attend the meeting through VC / OAVM however, shall not be entitled to cast their vote again.
  - (iv) The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
  - (v) The Company has appointed Jaymin Modi & Co., Company Secretaries (COP: 16948) as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner.
  - (vi) Members are requested to carefully read the instructions for e-voting before casting their vote.
  - (vii) The e-voting module shall be disabled for voting on **Friday, September 29, 2023, at 05:00 p.m. (IST)**. Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently. The voting right of the shareholders shall be in proportion to their share in the paid-up capital of the Company as on the **cut - off date** i.e., **September 23, 2023** (end of day).

- (viii) The Scrutinizer shall after the conclusion of voting at the general meeting, will unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman of the meeting or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company and on the website of CDSL immediately after the declaration of results by the Chairperson or a person authorized by him/her in writing. The results shall also be immediately forwarded to the BSE Limited and Metropolitan Stock Exchange of India Limited.

**THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS AREAS UNDER:**

**Step 1** : Access through Depositories CDSL/NSDL e-voting system in case of individualshareholders holding shares in demat mode.

**Step 2** : Access through CDSL e-voting system in case of shareholders holding shares in physicalmode and non-individual shareholders in demat mode.

- (i) The voting period begins on **Wednesday, September 27, 2023, at 09:00 a.m. (IST)** and ends on **Friday, September 29, 2023, at 05:00 p.m. (IST)**. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **September 23, 2023**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing easeand convenience of participating in e-voting process.

**Step 1: Access through Depositories CDSL/NSDL e-voting system in case of individualshareholders holding shares in demat mode.**

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-voting page of the e-voting service provider for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there are also links provided to access the system of all e-voting Service Providers i.e., CDSL/NSDL/KARVY/ LINKINTIME, so that the user can visit the e-voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from a e-voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and also able to directly access the system of all e-voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with NSDL Depository	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on "Access to e-voting" under e-voting services and you will be able to see e-voting page. Click on company name or e-voting service provider name and you will be re-directed to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> </ol>

	3) Visit the e-voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e- voting page. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (Holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. After Successful login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e- voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.

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

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

<b>Login type</b>	<b>Helpdesk details</b>
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

**Step 2: Access through CDSL e-voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.**

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

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID

**Aayush Food and Herbs Limited**  
**Annual Report FY 2022-23**

- a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
  - 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
  - 6) If you are a first-time user follow the steps given below:

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

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant AAYUSH FOOD AND HERBS LIMITED on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

**Aayush Food and Herbs Limited**  
**Annual Report FY 2022-23**

(xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

**(xvii) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e., other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cDSLindia.com](mailto:helpdesk.evoting@cDSLindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non-Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [aayushfoodherbs@gmail.com](mailto:aayushfoodherbs@gmail.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

1. The procedure for attending meeting & e-voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.
8. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NUMBER ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES.**

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

If you have any queries or issues regarding attending AGM & e-voting from the CDSL e-voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 22 55 33.

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

**Item No. 3**

The Board of Directors of the Company at its meeting held on June 27, 2023, appointed Mr. Rajgopalan Srinivasa Iyengar (DIN: 00016496) as an Additional Director of the Company in the capacity of Independent Director for a term of 5 years with effect from June 27, 2023, subject to the approval of the Members of the Company. In terms of section 160 of the Companies Act, 2013, the Board Governance, Nomination and Remuneration Committee and the Board have recommended the appointment of Mr. Rajgopalan Srinivasa Iyengar as an Independent Director pursuant to the provisions of Sections 149 and 152 of the Companies Act, 2013.

The Company has received a declaration from Mr. Rajgopalan Srinivasa Iyengar confirming that he meets the criteria of independence under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, the Company has also received Mr. Rajgopalan Srinivasa Iyengar's consent to act as a Director in terms of section 152 of the Companies Act, 2013 and a declaration that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

In the opinion of the Board, Mr. Rajgopalan Srinivasa Iyengar fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for his appointment as an Independent Director of the Company and he is independent of the management. Considering Mr. Rajgopalan Srinivasa Iyengar's knowledge and experience, the Board of Directors is of the opinion that it would be in the interest of the Company to appoint him as an Independent Director for a period of five years with effect from June 27, 2023.

Additional information in respect of Mr. Rajgopalan Srinivasa Iyengar, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), is given at **Annexure I** to this Notice.

Except Mr. Rajgopalan Srinivasa Iyengar, being the appointee, or his relatives, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolution set out in Item No. 3.

**Item No. 4**

The Board of Directors of the Company at its meeting held on May 30, 2023, appointed Mr. Sanjay Atmaram Devlekar as an Additional Director of the Company in the capacity of Independent Director for a term of 5 years with effect from May 30, 2023, subject to the approval of the Members of the Company. In terms of section 160 of the Companies Act, 2013, the Board Governance, Nomination and Remuneration Committee and the Board have recommended the appointment of Mr. Sanjay Atmaram Devlekar as an Independent Director pursuant to the provisions of Sections 149 and 152 of the Companies Act, 2013.

The Company has received a declaration from Mr. Sanjay Atmaram Devlekar confirming that he meets the criteria of independence under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, the Company has also received Mr. Sanjay Atmaram Devlekar's consent to act as a Director in terms of section 152 of the Companies Act, 2013 and a declaration that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

**Aayush Food and Herbs Limited**  
**Annual Report FY 2022-23**

In the opinion of the Board, Mr. Sanjay Atmaram Devlekar fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for his appointment as an Independent Director of the Company and he is independent of the management. Considering Mr. Sanjay Atmaram Devlekar's knowledge and experience, the Board of Directors is of the opinion that it would be in the interest of the Company to appoint him as an Independent Director for a period of five years with effect from May 30, 2023.

Additional information in respect of Mr. Sanjay Atmaram Devlekar, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), is given at **Annexure I** to this Notice.

Except Mr. Sanjay Atmaram Devlekar, being the appointee, or his relatives, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolution set out in Item No. 4.

**Item No. 5**

The Board of Directors of the Company at its meeting held on April 17, 2023, appointed Ms. Vishakha Umesh Jadhav (DIN: 10064103) as an Additional Director of the Company in the capacity of Independent Director for a term of 5 years with effect from April 17, 2023, subject to the approval of the Members of the Company. In terms of section 160 of the Companies Act, 2013, the Board Governance, Nomination and Remuneration Committee and the Board have recommended the appointment of Ms. Vishakha Umesh Jadhav as an Independent Director pursuant to the provisions of Sections 149 and 152 of the Companies Act, 2013.

The Company has received a declaration from Ms. Vishakha Umesh Jadhav confirming that he meets the criteria of independence under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, the Company has also received Ms. Vishakha Umesh Jadhav's consent to act as a Director in terms of section 152 of the Companies Act, 2013 and a declaration that she is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

In the opinion of the Board, Ms. Vishakha Umesh Jadhav fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for her appointment as an Independent Director of the Company and she is independent of the management. Considering Ms. Vishakha Umesh Jadhav's knowledge and experience, the Board of Directors is of the opinion that it would be in the interest of the Company to appoint her as an Independent Director for a period of five years with effect from April 17, 2023.

Additional information in respect of Ms. Vishakha Umesh Jadhav, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), is given at **Annexure I** to this Notice.

Except Ms. Vishakha Umesh Jadhav, being the appointee, or her relatives, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolution set out in Item No. 5.

**Item No. 6**

M/s. G A M S & Associates LLP, Chartered Accountants (Firm Registration No.: 0N500094) had resigned from the post of Statutory Auditors due to pre-occupancy in other assignments, resulting into a casual vacancy in the office of the Statutory Auditors of the company.

As envisaged by section 139 (8) of the Companies Act, 2013, casual vacancy caused by the resignation of auditor can be filled by the shareholders in General Meeting within three months from the date of recommendation of the Board of Directors of the Company.

The Board of Directors in their meeting held on September 05, 2023, filled the casual vacancy by appointing M/s. TDK & Co., Chartered Accountants, (FRN: 109804W). Further they recommend appointment of M/s. TDK & Co. to members of the Company.

M/s. TDK & Co. have conveyed their consent to be appointed as the Statutory Auditors of the Company along with a confirmation that, their appointment, if made by the members, would be within the limits prescribed under the Companies Act, 2013.

Accordingly, Ordinary Resolution is submitted to the meeting for the consideration and approval of members.

None of the Directors, Key Managerial Persons, or their relatives, in any way, are concerned or interested in the said resolution.

The Board, therefore, recommends resolution set out under business Item No.06 for approval of the shareholders by way of Ordinary Resolution.

**Annexure to the Notice of Annual General Meeting**

Additional Information required to be given as per SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, is given below:

Details of the director to be regularized:

Name of the Director	RAJGOPALAN SRINIVASA IYENGAR	SANJAY ATMARAM DEVLEKAR	VISHAKHA UMESH JADHAV
Date of Birth (dd/mm/yyyy)	24/01/1953	31/05/1972	11/06/1984
Date of first appointment on the Board	27/06/2023	30/05/2023	17/04/2023
Qualification(s)	B. A.	Graduate	Graduate
Experience (including expertise in specific functional area)	Mr. Rajgopalan Iyengar has rich experience in the field of business management and consultancy of more than 15 years.	Mr. Sanjay Devlekar is a Graduate. He has vast experience in the field of Administration and Human Resource Management.	Ms. Vishakha Umesh Jadhav is a Commerce Graduate, She has wide experience of over 7 years in Management activities. She also has experience in Investment Strategies and taking client on board. Her knowledge and skills will be extremely helpful to the business.
Terms & Conditions of Appointment/Reappointment along with details of remuneration sought to be paid and the remuneration last drawn by such person, if applicable	05 Years	05 Years	05 Years
Shareholding in the Company (as on 31.03.2023)	Nil	Nil	Nil
Relationship with other Directors and KMPs	NA	NA	NA
Board Membership of other companies	09	05	Nil

**Aayush Food and Herbs Limited**  
**Annual Report FY 2022-23**

[excluding AFHL] as on March 31, 2023			
Chairman [C]/Member [M] of the Committee of the Board of Directors of the companies in which he/she is a director as on March 31, 2023	Nil	02	NA
No. of Board Meetings attended during FY 2022-23	NA	NA	NA

Details of the statutory auditor to be appointed:

Name of the Auditor	TDK & Co.
Proposed audit fee payable to auditors	As may be decided between the Board of Directors and Auditors
Terms of Appointment	From the conclusion of this AGM up to the conclusion of AGM to be held in year 2024.
Material change in fee payable	None
Basis of recommendation and auditor Credentials	The Audit Committee based on the credentials of the firm and partners, recommends the appointment of M/s. TDK & Co., Chartered Accountants as a Statutory Auditor of the Company.

## **DIRECTORS' REPORT**

Dear Shareholders,

Your directors are pleased to present their 39<sup>th</sup> Annual Report of the Company along with the statement of Accounts for the financial year ended March 31, 2023.

### **1. FINANCIAL RESULTS**

(Rs. In Lakhs)

Particulars	Year Ended 31.03.2023	Year Ended 31.03.2022
Gross Income from Sales & other operations	864.85	1809.27
Profit / (Loss) before depreciation and taxes	(31.69)	(203.02)
Less: Depreciation	3.01	6.72
Profit / (Loss) before taxes	(34.70)	(209.74)
Less: Provision for taxes including deferred taxes (reversed)	(0.27)	(2.02)
Profit / (Loss) after taxes	(34.43)	(207.72)
Profit / (Loss) carried forward to Reserves & Surplus	(34.43)	(207.72)
Earnings Per Share (in Rs.)	(1.061)	(6.40)

### **2. PERFORMANCE**

During the year under review, your company has achieved total revenue of Rs. 864.85 Lakhs. After reporting all the expenses under review, your company reported a loss of Rs. 34.43/- lakhs for fiscal year 2022-23. During the year under review, there was no change in the nature of the business.

### **3. DIVIDEND**

Due to the loss suffered by the Company, your directors express their inability to recommend dividend for the financial year ended on March 31, 2023.

### **4. RESERVES**

During the year under review, the Company has not transferred any amount to the General Reserve. Losses incurred were adjusted against the general reserve and earlier tax adjustments were made. The General Reserve of the Company stood at Rs. 41.17/- Lakhs as of March 31, 2023.

### **5. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

Since there was no unpaid/unclaimed dividend, the provisions of Section 125 of the Companies Act, 2013 do not apply.

### **6. SHARE CAPITAL**

#### **Authorized Share Capital:**

The Authorized Share Capital of the Company as of March 31, 2023, stood at Rs. 3,50,00,000/- (Rupees

Three Crores Fifty Lakhs Only) divided into 35,00,000 (Thirty-Five Lakhs) equity shares of Rs. 10/- each.

**Issued, Subscribed and Paid-up Equity Share Capital:**

The Issued, Subscribed and paid-up Equity Share Capital as of March 31, 2023, stood at Rs. 3,24,50,000/- (Three Crores Twenty-Four Lakhs Fifty Thousand Only) divided into 32,45,000 (Thirty-Two Lakhs Forty-Five Thousand) equity shares of Rs. 10/- each. During the year under review, there was no change in the Company's Issued, Subscribed and Paid-up Equity Share Capital. The Company has not issued shares or convertible securities or shares with differential voting rights nor has granted any stock options or sweat equity or warrants.

**7. DEPOSITS**

During the year under review, your Company did not accept any deposit within the meaning of the provisions of Chapter V Acceptance of Deposits by Companies read with the Companies (Acceptance of Deposits) Rules, 2014.

**8. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**BOARD OF DIRECTORS**

The Board of the Company was duly constituted in accordance with the provisions of the Companies Act, 2013. As of the date of the report, your company has the following Directors on its Board:

Sr. No.	Name of the Director	Category	Date of Appointment	Date of Resignation	Change in Designation
1.	Pallavi Mittal	Managing Director	13/01/2017	-	13/06/2023
2.	Rajesh Goel	Independent, Non-Executive Director	17/02/2016	05/04/2023	-
3.	Kamna	Non-Executive, Non-Independent Director	26/08/2019	30/05/2023	-
4.	Shashank Shekhar Chaturvedi	Independent, Non-Executive Director	12/11/2019	13/06/2023	-
5.	Naveena Kumar Kunjaru	Managing Director and Chairman	13/06/2023	-	-
6.	Akshay Vijay Nawale	Executive Director & CFO	30/05/2023	-	13/06/2023
7.	Sanjay Atmaram Devlekar	Additional Non-Executive Independent Director	30/05/2023	-	-
8.	Pradeep Kumar Karn	CFO	14/01/2022	28/02/2023	-
9.	Vishakha Umesh Jadhav	Additional Non-Executive Independent	17/04/2023	-	-

**Aayush Food and Herbs Limited**  
**Annual Report FY 2022-23**

		Director			
10.	Rajgopalan Srinivasa Iyengar	Additional Executive Independent Director	Non-	27/06/2023	-

During the period under review, following changes took place in the Board of Directors of the Company:

1. Change in designation of Ms. Pallavi (DIN: 07704583) from Managing director to Non-executive Director of the company as per recommendation of Nomination and Remuneration Committee effective from June 13, 2023;
2. Appointment of Mr. Naveena Kumar Kunjaru (DIN: 07087891) as Managing Director and Chairman of the Company as per recommendation of Nomination and Remuneration Committee for the term of five (05) consecutive term effective from June 13, 2023;
3. Resignation of Mr. Shashank Shekhar Chaturvedi (DIN: 08605043) from the post of Non-executive Independent Director of the Company effective from June 13, 2023;
4. Appointment of Mr. Akshay Vijay Nawale (DIN: 07597069) as an additional director (Non-Executive, Independent Director) as per recommendation of Nomination and Remuneration Committee on the Board of the Company w.e.f. May 30, 2023, not liable to retire by rotation;
5. Change in designation of Mr. Akshay Nawale (DIN: 07597069) from Additional Independent Director to Executive Director and Chief Financial Officer (CFO) of the company as per recommendation of Nomination and Remuneration Committee effective from June 13, 2023;
6. Appointment of Mr. Sanjay Atmaram Devlekar (DIN: 07847440) as an additional director (Non-Executive, Independent Director) as per recommendation of Nomination and Remuneration Committee on the Board of the Company w.e.f. May 30, 2023;
7. Resignation of Ms. Kamna (DIN: 07865460), from the post of Non-Executive, Non-Independent Director of the company w.e.f. May 30, 2023;
8. Resignation of Mr. Pradeep Kumar Karn from the post of CFO of the company w.e.f. February 28, 2023;
9. Resignation of Mr. Rajesh Goel from the post of Non-Executive Independent Director of the company w.e.f. April 05, 2023;
10. Appointment of Ms. Vishakha Umesh Jadhav (DIN: 10064103) as an Additional Director (Non-Executive, Independent Director) with effect from April 17, 2023;
11. Appointment of Mr. Rajgopalan Srinivasa Iyengar (DIN: 00016496) as on (Non-Executive, Independent Director) of the company w.e.f. June 27, 2023.

The Company is in compliance with the composition of the Board of Directors in terms of the Companies Act, 2013. All Independent Directors have confirmed that they have met the criteria as mentioned under Section 149(7) of the Companies Act, 2013 ("Act").

**KEY MANAGERIAL PERSONNEL**

The following persons are the Key Managerial Personnel (KMP's) of the Company in accordance with the provisions of Section 203 of Companies Act, 2013 and rules made there under:

<b>Name of KMP's</b>	<b>Designation</b>
Mr. Pradeep Kumar Karn*	Chief Financial Officer <b>(Up to February 28, 2023)</b>
Mr. Akshay Vijay Nawale*	Chief Financial Officer <b>(With Effect from June 13, 2023)</b>
Ms. Preeti Kataria**	Company Secretary & Compliance Officer <b>(Up to June 18, 2022)</b>
Ms. Kajal Mittal**	Company Secretary & Compliance Officer <b>(with effect from July 21, 2022, up to May 30, 2023)</b>
Ms. Komal Soni	Company Secretary & Compliance Officer <b>(with effect from June 01, 2023, up to July 22, 2023)</b>
Ms. Urmi Shah	Company Secretary & Compliance Officer <b>(with effect from July 22, 2023)</b>

\*During the year under review, Mr. Pradeep Kumar Karn has resigned from the post of Chief Financial Officer with effect from February 28, 2023.

Further, in his place Mr. Akshay Vijay Nawale is appointed by the board of directors as Chief Financial Officer of the Company with effect from June 13, 2023 in the board meeting held on June 13, 2023.

\*\*During the year under review, Ms. Preeti Kataria has resigned from the post of Company Secretary & Compliance Officer with effect from June 18, 2022 and in her place Ms. Kajal Mittal is appointed by the Board of Directors as Company Secretary & Compliance Officer of the Company with effect from July 21, 2022 in the Board Meeting held on July 21, 2022.

Further, During the year under review following changes took place in the Key Managerial Persons:

1. Appointment of Ms. Komal Soni (ACS: 69534) associate member of 'The Institute of Company Secretaries of India' is appointed as Company Secretary and Compliance Officer of the Company w.e.f. June 01, 2023;
2. Resignation of Ms. Kajal Mittal (ACS: A58861) from the post of company secretary and compliance officer of the company w.e.f. May 30, 2023;
3. Resignation of Ms. Komal Soni (ICSI Mem No. A69534) from the position of company secretary and compliance officer of the company w.e.f. July 22, 2023;
4. Appointment of Ms. Urmi Haresh Shah (ICSI Mem No. A70885) as a company secretary and compliance officer of the company w.e.f. July 22, 2023.

**9. DECLARATION BY INDEPENDENT DIRECTORS**

In terms of Section 149(7) read with Schedule IV of the Companies Act, 2013, the Company has received necessary declaration from all the Independent Directors of the Company. All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act, Regulation 16(1)(b) of the Listing Regulations. In the opinion of the Board, the Independent Directors, fulfill the conditions of independence specified in Section 149(6) of the Act and

**Aayush Food and Herbs Limited**  
**Annual Report FY 2022-23**

Regulation 16(1) (b) of the SEBI Listing Regulations. The Independent Directors have also confirmed that they have complied with the Company's Code of Business Conduct & Ethics.

**10. NUMBER OF BOARD MEETINGS HELD**

The Board meets at regular intervals to discuss and decide on policy and strategy apart from other business discussions.

During the Financial Year under review 07 (Seven) meetings of the Board of Directors were held. The dates on which the said meetings were held:

1. May 30, 2022
2. July 21, 2022
3. August 12, 2022
4. August 25, 2022
5. November 14, 2022
6. February 13, 2023
7. February 28, 2023.

In respect of the above meetings the proper notices were given and the proceedings were properly recorded and the intervening gap between the Meetings was within the period prescribed under the SEBI (LODR) Regulations, 2015 and Companies Act, 2013.

**11. COMMITTEES OF THE BOARD**

The Board has constituted the following committees in compliance with the Companies Act, 2013:

**Audit Committee:**

The Audit Committee of the Company is constituted/re-constituted in line with the provisions of Regulation 18 of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013. The Audit Committee is constituted in line to monitor and provide effective supervision of the management's financial reporting process, to ensure accurate and timely disclosures, with the highest level of transparency, integrity, and quality of Financial Reporting.

The Audit Committee of the Company consists of Mr. Rajesh Goel as Chairman, Ms. Pallavi Mittal and Mr. Shashank Shekhar Chaturvedi as Members as at 31.03.2023. The Composition and Terms of Reference of the Audit Committee are in line with Section 177 of the Companies Act, 2013 and rules made thereunder. During the Financial Year under review 05 (Five) meetings of the Audit Committee were convened and held. The dates on which the said meetings were held:

1. May 30, 2022
2. August 12, 2022
3. August 25, 2022
4. November 14, 2022
5. February 13, 2023

The members of the Committee are people with the ability to read and understand the Financial Statement. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

Further, there have been no instances where the Board has not accepted any recommendation of the Committee. The necessary quorum was present at all the Meetings.

**Nomination and Remuneration Committee:**

The Nomination and Remuneration Committee of the Company is constituted/reconstituted in line with the provisions of Regulation 19 of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013. The Nomination and Remuneration Committee recommends the appointment of Directors and remuneration of such Directors. The level and structure of appointment and remuneration of all Key Managerial personnel and Senior Management Personnel of the Company, as per the Remuneration Policy, is also overseen by this Committee.

The Nomination and Remuneration Committee of the Company consists of Mr. Rajesh Goel as Chairman, Ms. Kamna and Mr. Shashank Shekhar Chaturvedi as Members as at 31.03.2023. The Composition and Terms of Reference of the Nomination and Remuneration Committee are in line with Section 178 of the Companies Act, 2013 and rules made thereunder.

During the Financial Year under review 02 (Two) meetings of the Nomination and Remuneration Committee were convened and held. The dates on which the said meetings were held:

1. June 18, 2022
2. July 21, 2022

Further, the necessary quorum was present at all the meetings.

**Stakeholders Relationship Committee:**

The Stakeholders Relationship Committee of the Company consists of Mr. Rajesh Goel as Chairman, Ms. Kamna and Mr. Shashank Shekhar Chaturvedi as Members as at 31.03.2023. The Composition and Terms of Reference of the Stakeholders Relationship Committee are in line with Section 178 of the Companies Act, 2013 and rules made thereunder.

During the Financial Year under review 01 (One) meeting of the Stakeholders Relationship Committee was convened and held. The dates on which the said meetings were held:

1. June 18, 2022

Further, the members of the Committee effectively address shareholders' grievances. The necessary quorum was present at all the meetings. No complaints remained unattended/ pending for more than thirty days. The Company has no share transfers/ transmission pending as on March 31, 2023. Further, no shareholders complaint/ grievance was received under 'SCORES' during the Financial Year 2022-2023.

The Company also obtains a Certificate of Compliance with the share transfer formalities from a Practicing Company Secretary as required under Regulation 40(9) of SEBI Listing Regulations and has submitted a copy of the said certificate with the Stock Exchange on yearly basis.

Attendance Details of Board and Committee Meetings held during the Financial Year 2022-23:

The details of meetings attended by the Members of Board as well as Committees are as follows:

**Aayush Food and Herbs Limited**  
**Annual Report FY 2022-23**

Name of Director	Category	No. of Board Meetings attended	No. of Committee Meetings Attended		
			Audit	Nomination and Remuneration	Stakeholders Relationship
Pallavi Mittal	Executive Director	7 Out of 7	5 Out of 5	NA	NA
Rajesh Goel	Independent, Non-Executive Director	7 Out of 7	5 Out of 5	2 Out of 2	1 Out of 1
Kamna	Non-Executive Director	7 Out of 7	NA	2 Out of 2	1 Out of 1
Shashank Shekhar Chaturvedi	Independent, Non-Executive Director	7 Out of 7	5 Out of 5	2 Out of 2	1 Out of 1

**12. MEETING OF INDEPENDENT DIRECTOR**

During the Financial Year under review 01 (One) meetings of the Independent Directors were held. The dates on which the said meetings were held: June 18, 2022

**13. ANNUAL RETURN**

The Annual Return of the Company, pursuant to sub-section 3(a) of Section 134 and the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 for the financial year 2022-23 in the Form MGT-9 has been uploaded on Company's website and the web link for the same is <https://aayushfoods.com/corporate-announcements>.

**14. COMPLIANCE WITH SECRETARIAL STANDARDS**

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

**15. DIRECTORS' RESPONSIBILITY STATEMENT**

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

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period.
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- d) The Directors have prepared the annual accounts on a going concern basis.
- e) The Directors have laid down proper Internal Financial Controls ("IFC") and such IFC are adequate and were operating effectively.

- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**16. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:**

In terms of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, there are no employees drawing remuneration in excess of the limits set out in the said rules. The information required pursuant to Section 197 of 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, will be provided upon request. In terms of Section 136 of the Act, the reports and accounts are being sent to the members and other entitled thereto, excluding the information on employee's particulars which is available for inspection by the members at the Registered office of the Company during business hours on working days of the Company up to the date of ensuing Annual General Meeting. If any member is interested in inspecting the same, such a member may write to the Company Secretary in advance.

There were no employees having remuneration in excess of the limits as provided under the said act or rules.

**17. FORMAL ANNUAL/BOARD EVALUATION**

Pursuant to the Section 134(3) of the Companies Act, 2013, the Board of Directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 ("SEBI Listing Regulations").

The performance of the Board was evaluated by the Board after seeking inputs from all the directors based on the criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the Board after seeking inputs from the committee members based on the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of the individual directors based on the criteria such as the contribution of the individual director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the chairman was also evaluated on the key aspects of his role.

In a separate meeting of independent directors, performance of non-independent directors, performance of the board as a whole and performance of the chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors, at which the performance of the board, its committees and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

The Board evaluated the performance of Independent Directors and Individual Directors considering various parameters such as their familiarity with the Company's vision, policies, values, code of conduct, their attendance at Board and Committee Meetings, whether they participate in the meetings constructively by providing inputs and provide suggestions to the Management/Board in areas of domain expertise, whether they seek clarifications by raising appropriate issues on the presentations made by the Management/reports placed before the Board, practice confidentiality, etc. It was observed that the Directors discharged their responsibilities in an effective manner. The Directors possess integrity, expertise and experience in their respective fields.

**18. NOMINATION AND REMUNERATION POLICY**

The Nomination and Remuneration Committee recommends to the Board, the Company's policy on Directors', Key Managerial Personnel and Senior Management appointment and remuneration including criteria for determining qualifications, positive attributes, independence of director and other matters as per Section 178(3) of the Companies Act, 2013. During the financial year under review, no changes have been made to the said Policy. The Nomination and Remuneration Policy is available on the Company's website and the web link for the same is [https://www.aayushfoods.com/files/corporateannouncements/ca\\_policy\\_0012.pdf](https://www.aayushfoods.com/files/corporateannouncements/ca_policy_0012.pdf).

Further as mandated by proviso to Section 178(4) of the Companies Act, 2013, Nomination and Remuneration Policy is annexed as "**Annexure-A**" hereto and forms part of this report.

**19. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to Financial Statements forming a part of this Annual Report.

**20. SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES AND HOLDING COMPANIES**

The Company does not have any Subsidiary, Joint Venture or Associate Company and Holding Company as on March 31, 2023. Hence, the Company has not enclosed Form AOC-1.

**21. MANAGEMENT DISCUSSION & ANALYSIS**

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Management Discussion and Analysis Report is presented in a separate section forming part of this Annual Report as "**Annexure-B**".

**22. CORPORATE SOCIAL RESPONSIBILITY**

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on Corporate Social Responsibility.

**23. RELATED PARTY TRANSACTIONS**

All related party contracts/arrangements/transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. During the year under review,

the Company had not entered into any contract/ arrangement/ transaction with related parties which could be considered material in accordance with section 188 of the companies act, 2013, Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the policy of the Company on materiality of related party transactions. There were no materially significant related party transactions made by the Company which may have a potential conflict of interest with its Promoters, Directors, Key Managerial Personnel, or other persons. All such Related Party Transactions are placed before the Audit Committee for approval, wherever applicable.

Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 (attached as “**Annexure-C**”) is not applicable. For further details, please refer to the notes (refer Note 27) to the financial statements.

#### **24. REPORTING OF FRAUDS**

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and /or Board under Section 143(12) of the Act and Rules framed thereunder.

#### **25. VIGIL MECHANISM/WHISTLE BLOWER POLICY**

The Company in accordance with Section 177 (9) of the Companies Act, 2013 has established a Vigil Mechanism/Whistle Blower Policy to report genuine concerns about unethical behavior, actual or suspected fraud or violation of Company’s code of conduct or grievances & to provide adequate safeguards against victimization of persons who may use such mechanism. The mechanism provides for direct access to the Ombudsperson appointed by the Company to receive all such complaints under this policy and ensure appropriate action.

The Audit Committee reviews and ensures the adequacy of the system laid down by the Company for the said purpose and no concern was reported during the financial year ended March 31, 2023. The Vigil Mechanism/Whistle Blower Policy is posted on the website of the Company and the web link for the same is [https://www.aayushfoods.com/files/corporate-announcements/ca\\_policy\\_0011.pdf](https://www.aayushfoods.com/files/corporate-announcements/ca_policy_0011.pdf).

#### **26. CORPORATE GOVERNANCE**

Pursuant to provisions of Regulation 15(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 applicable to the Company as the paid up equity share capital of the Company is Rs. 3,24,50,000/- (Rupees Three Crores Twenty-Four Lakhs Fifty Thousand Only) and net worth of the Company is Rs. 4,40,67,000/- (Rupees Four Crores Forty Lakhs Sixty-Seven Thousand Only) as on the last day of the previous financial year i.e., March 31, 2023, which is not exceeding Rs. 10 Crores and Rs. 25 Crores, respectively as per the latest audited Financial Statements as of March 31, 2023.

Whenever this regulation becomes applicable to the Company at a later date, the Company shall comply with the requirements of this regulation within six months from the date on which such provisions became applicable to the Company.

**27. RISK MANAGEMENT**

The Company has already identified the key risks areas which may affect the business goals and periodically revisits the relevance of the identified risks and progress of the mitigation plans undertaken. The Company has adopted a Risk Management Policy in accordance with the provisions of the Act. It establishes various levels of accountability and overview within the Company.

The Audit Committee of the Board of the Company has been entrusted with the task to frame, implement and monitor the risk management plan for the Company and it is responsible for reviewing the risk management plan and ensuring its effectiveness with an additional oversight in the area of financial risks and controls.

**28. PREVENTION OF INSIDER TRADING**

Based on the requirements under SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the code of practices and procedures for Fair Disclosure of Unpublished Price Sensitive Information ("Code"), as approved by the Board is in force. The objective of this Code is to protect the interest of shareholders at large, to prevent misuse of any price sensitive information and to prevent any insider trading activity by dealing in shares of the Company by its Directors, designated persons and other employees. The Company also adopts the concept of Trading Window Closure, to prevent its Directors, Officers, designated employees and other employees from trading in the securities of Aayush Food and Herbs Limited at the time when there is unpublished price sensitive information.

**29. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT**

During the year under review, no shares were held in the Demat suspense account or unclaimed suspense account of the Company.

**30. DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has zero tolerance towards sexual harassment at the workplace and towards this end, has adopted a policy in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 which redresses complaints received on sexual harassment. During the financial year under review, the Company has not received any complaints of sexual harassment from any of the women employees of the Company.

The following is a summary of sexual harassment complaints received and disposed of during the year 2022-23:

- No. of complaints received – NIL
- No. of complaints disposed of – NIL

**31. MATERIAL CHANGES OR COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY**

**Change of Registered office of the company:**

Shifting of Registered office of the company within local limits i. e. from 370-A/2, 1st Floor, Chirag Delhi New Delhi South Delhi 110017 to 55, 2nd Floor, Lane 2, Westend Marg, Saidullajab, Near Saket Metro Station, New Delhi, Delhi 110030.

Except above, there were no material changes or commitments affecting the financial position of the company which has occurred between the end of Financial Year March 31, 2023, and the date of this report.

**32. SIGNIFICANT MATERIAL ORDERS PASSED BY REGULATORS/ COURTS/ TRIBUNALS**

There were no significant material orders passed by the Regulators/ Courts/ Tribunals impacting the going concern status and Company's operations in future.

**33. GREEN INITIATIVE**

The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies. Further, as per the provisions of Companies Act, 2013, the Company may send financial statements and other documents by electronic mode to its members. Your Company has decided to join the MCA in an environmentally friendly initiative. Accordingly, henceforth the company propose to send documents such as Notice of the General Meetings, Annual Report and other communication to its shareholders via electronic mode to the registered e-mail addresses of shareholders. To support this green initiative of the Government in full measure, shareholders are requested to register/ update their latest e-mail addresses with their Depository Participant (D.P.) with whom they are having Demat A/c or send the same to the Company via e-mail at aayushfoodherbs@gmail.com. We solicit your valuable co-operation and support in our endeavor to contribute our bit to the environment.

**34. LISTING OF SECURITIES, LISTING FEES AND ANNUAL CUSTODY FEES**

The Securities of the Company are listed on BSE Limited (Scrip Code: 539528) and Metropolitan Stock Exchange of India Limited (Symbol: AAYUSH). The Company has paid the listing fee to the Stock Exchanges for the financial year 2023-2024. The Company has also made the payment of Annual Custody fee to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for the financial year 2023-2024.

**35. DEMATERIALISATION OF SECURITIES**

Your Company has already established connectivity with both the Depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to facilitate the holding and trading of securities in electronic form. The shareholders, who have not gone in for dematerialization of shares till date, are requested to opt for dematerialization of the shares at the earliest.

As per notifications and circulars issued by the Securities and Exchange Board of India (SEBI) from time to time, the shares of the Company can be transferred only in dematerialized form. Members are advised to dematerialize share(s) in the Company to facilitate transfer of share(s). The ISIN of the company is INE430R01015. Accordingly, all the shareholders, Investors, Members of the Stock Exchanges, Depository

Participants and all other concerned are requested to send all communication in respect of Share Transfer, Transmission/ Transposition, Demat/Remat and Change of Address etc. to our Registrar and Share Transfer Agent at below mentioned address:

**Beetal Financial & Computer Services (P) Ltd.**

Beetal House, 3rd Floor, 99 Madangir, Behind Local Shopping Centre,  
Near Dada Harsukh Dass Mandir, New Delhi - 110062  
Ph. # 011-29961281 Fax # 011-29961284  
E-Mail: beetalrta@gmail.com  
Website: www.beetalfinancial.com

In case any query/complaint remains unresolved with our Registrar and Share Transfer Agent of the Company please write to the Company Secretary at the registered office of the Company.

**36. HEALTH, SAFETY AND ENVIRONMENT PROTECTION**

The Company has complied with all the applicable environmental law and labour laws. The Company has been complying with the relevant laws and has been taking all necessary measures to protect the environment and maximize worker protection and safety.

**37. HUMAN RESOURCES**

People remain the most valuable asset of your Company. Your Company follows a policy of building strong teams of talented professionals. Your Company continues to build on its capabilities in getting the right talent to support different products and geographies and is taking effective steps to retain the talent. It has built an open, transparent, and meritocratic culture to nurture this asset. The Company recognizes people as its most valuable asset and The Company has kept a sharp focus on Employee Engagement. The Company's Human Resources are commensurate with the size, nature and operations of the Company.

**38. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Pursuant to Section 134(3)(m) of the Companies Act, 2013 ("the Act") read with rule 8(3) of the Companies (Accounts) Rules, 2014 are annexed at "**Annexure-D**".

**39. STATEMENT SHOWING THE NAMES OF THE TOP TEN EMPLOYEES IN TERMS OF REMUNERATION DRAWN AND THE NAME OF EVERY EMPLOYEE AS PER RULE 5(2) & (3) OF THE COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014:**

Disclosure pertaining to remuneration and other details as required under Section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in "**Annexure-E**" to this Report.

The Statement containing the particulars of employees as required under section 197(12) of the Companies Act, 2013 read with rule 5(2) and other applicable rules (if any) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report.

As per the provisions of Section 136(1) of the Companies Act, 2013, the Annual Report and the Accounts are being sent to all the members of the Company, excluding the information required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of Companies (Appointment and

**Aayush Food and Herbs Limited**  
**Annual Report FY 2022-23**

Remuneration of Managerial Personnel) Rules, 2014. Any member interested in obtaining such information may write to the Company Secretary at the Registered Office. The said information is also available for inspection at the Registered Office during working hours up to the date of the ensuing Annual General Meeting.

**40. FAMILIARISATION PROGRAMMES:**

The Company familiarizes its Independent Directors on their appointment as such on the Board with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, etc. through familiarization programme. The Company also conducts an orientation programme for the induction of new Directors, as well as other initiatives to update the Directors on a continuing basis. The familiarization programme for Independent Directors is disclosed on the Company's website [www.aayushfoods.com](http://www.aayushfoods.com).

**41. AUDITORS AND THEIR REPORT**

**STATUTORY AUDITORS**

The Auditor's Report for the financial year ended March 31, 2023, does not contain any qualification, reservation or adverse remarks. All Observations made in the Independent Auditors' Report and Notes forming part of the Financial Statements are self-explanatory and do not call for any further comments and also, there is no incident of fraud requiring reporting by the auditors under section 143(12) of the Companies Act, 2013 during the year. The Auditor's report is enclosed with the financial statements in this Auditor's Report.

**SECRETARIAL AUDITORS**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company have appointed M/s. Prachi Bansal and Associates, Company Secretary in Practice (C.P. No. 23670) to undertake the Secretarial Audit of the Company for the financial year 2022-2023. The Company has received consent from M/s. Prachi Bansal and Associates, Company Secretary to act as the auditor for conducting audit of the secretarial records for the financial year ending March 31, 2023.

**SECRETARIAL AUDIT REPORT**

The Secretarial Audit Report for the financial year ended March 31, 2023, does not contain any qualification, reservation or adverse remark. A copy of the Secretarial Audit Report (Form MR-3) as provided by the Company Secretary in Practice has been annexed to the Report. ("**Annexure-F**")

**COST AUDITOR**

The Company has not appointed the Cost Auditor as pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit is not applicable to the Company.

**42. CODE OF CONDUCT**

Commitment to ethical professional conduct is a must for every employee, including Board Members and Senior Management Personnel of the Company. The Code is intended to serve as a basis for ethical decision making in the conduct of professional work. The Code of Conduct ensures that each individual in the organization must know and respect existing laws, accept and provide appropriate professional views, and be upright in his conduct and observe corporate discipline. The duties of Directors including duties as an Independent Director as laid down in the Companies Act, 2013 also form part of the Code of Conduct.

**Aayush Food and Herbs Limited**  
**Annual Report FY 2022-23**

All Board Members and Senior Management Personnel affirm compliance with the Code of Conduct annually.

**43. DETAILS OF APPLICATION MADE OR ANY PROCEEDINGS PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR**

During the reporting period, no application made or any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016).

**44. SECRETARIAL STANDARDS**

Your Company complies with the Secretarial Standard on Meetings of Directors (SS-1) and Secretarial Standard on General Meetings (SS-2) whenever it has applicable. Your Company will comply with the other Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) as and when they are made mandatory.

**45. WEBSITE OF THE COMPANY**

Your Company maintains a website [www.aayushfoods.com](http://www.aayushfoods.com) where detailed information of the Company and specified details in terms of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 have been provided.

**46. INDUSTRIAL RELATIONS**

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

**47. NO FRAUDS REPORTED BY STATUTORY AUDITORS**

During the Financial Year 2022-23, the Auditors have not reported any matter under section 143(12) of the Companies Act, 2013, therefore no detail is required to be disclosed under section 134(3) of the Companies Act, 2013.

**48. ACKNOWLEDGEMENT**

The Board of Directors of the Company wish to place on record their sincere thanks to the shareholders for their co-operation, faith and confidence in the management of the Company. The Company's endeavor would be to merit the confidence reposed in it by its stakeholders. Your Board acknowledges the support and co-operation received from all the regulatory authorities of the Central Government and State Government, respectively. It also expresses its sincere appreciation of the employees at all levels for being encouraged to meet several challenges encountered and look forward to their valuable support and commitment in the times ahead.

**By Order of the Board of Directors**  
**For Aayush Food and Herbs Limited**  
**Sd/-**

**Naveenakumar Kunjaru**  
**Managing Director**  
**DIN: 07087891**

**Pallavi Mittal**  
**Director**  
**DIN: 07704583**

**Date: September 05, 2023**  
**Place: New Delhi**

**NOMINATION AND REMUNERATION POLICY**

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto, as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

**Definitions:**

**“Remuneration”** means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

**“Key Managerial Personnel”** means:

1. Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
2. Chief Financial Officer;
3. Company Secretary; and
4. such other officer as may be prescribed.

**“Senior Managerial Personnel”** mean the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management, of rank equivalent to General Manager and above, including all functional heads.

**Objective:**

The objective of the policy is to ensure that:

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals. Role of the Committee: The role of the NRC will be the following:
  - To formulate criteria for determining qualifications, positive attributes and independence of a Director.
  - To formulate criteria for evaluation of Independent Directors and the Board.
  - To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
  - To carry out evaluation of Director’s performance.
  - To recommend to the Board the appointment and removal of Directors and Senior Management.
  - To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
  - To devise a policy on Board diversity, composition, size.
  - Succession planning for replacing Key Executives and overseeing.

- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

**APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

**TERM / TENURE**

- Managing Director/Whole-time Director:

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

- Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report. No Independent Director shall hold office for more than two consecutive terms of up to maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

**EVALUATION**

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

**REMOVAL**

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

## **RETIREMENT**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

## **POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL**

- 1) Remuneration to Managing Director / Whole-time Directors:
  - The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
  - The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Wholetime Directors.
  
- 2) Remuneration to Non- Executive / Independent Directors:
  - The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
  - All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
  - An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
  - Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
    - 1) The Services are rendered by such Director in his capacity as the professional; and
    - 2) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.
  - The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share based payments to be made to Directors (other than Independent Directors).
  
- 3) Remuneration to Key Managerial Personnel and Senior Management:
  - The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
  - The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share based payments to be made to Key Managerial Personnel and Senior Management.
  - The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time.

**Aayush Food and Herbs Limited**  
**Annual Report FY 2022-23**

- The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

**IMPLEMENTATION**

The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.

The Committee may Delegate any of its powers to one or more of its members.

**MANAGEMENT DISCUSSION AND ANALYSIS**

**Indian Economic Overview**

Global economies were impacted over the last 2 years by uncertainties and volatility on account of Covid-19 fallout, prolonged Russian-Ukraine conflict and monetary tightening by central banks amidst inflationary trends. Despite this, India maintained its position of the fastest growing economy in the world for both these years. India's Gross Domestic Product (GDP) is estimated to have expanded by 7.2% in FY 2022-23 as per the latest estimates released by Central Statistical Office (CSO). Relatively quicker recovery from pandemic and robust GDP growth in FY 2022-23 was reinforced by buoyant private consumption and strong capital formation bolstered by the government's continued capital expenditure push even during the pandemic period. Government's continued policy thrust on capital expenditure through infrastructure spending was visible in the Union budget for FY 2023-24 as well with increased capital investment outlay by ~37% to ₹ 10 Lakh Crore. Reserve Bank of India's [RBI] Economic Survey released in February'23 has listed number of positive factors supporting robust growth momentum such as:

- a. Universal vaccination coverage enabling rebound of spending on contact-based services (restaurants, hotels, shopping malls, and cinemas) and the return of migrant workers in construction industry
- b. Performance of high-frequency indicators such as GST collections crossing the ₹ 1.4 lakh crore benchmark for twelve successive months, increasing electronic toll collection levels, robust energy demand, robust tractor sales, auto sales and high UPI transactions
- c. Increased credit appetite of well-capitalized public sector banks and the credit growth to the Micro, Small, and Medium Enterprises (MSME) sector etc.
- d. Strengthening of the corporate balance sheets

India is set for another record year of merchandise exports having registered 6% year-on-year growth to reach an estimated \$447.5 billion during FY 2022-23.

The sustained resilience of Indian economy amidst global uncertainties is expected to continue in FY 2023-24 as well. As per consensus forecasts, India's GDP growth in FY 2023-24 is expected to be in the range of 6.0% - 6.5%. The primary growth drivers include robust private consumption.

Government's firm focus on infrastructure spending and enhanced credit growth supported by deleveraged corporate balance sheets coupled with improved asset quality of the banks. Strong infrastructure push under the Gati Shakti (National Master Plan for Multimodal Connectivity) initiative and logistics & industrial corridor development is expected to drive industrial competitiveness in the long term and support future growth.

In FY 2022-23, the world also witnessed the end of quantitative easing by all the major central banks. Major central banks in fact resorted to Quantitative Tightening to rein in the soaring inflation. Following aggressive rate hikes by US Federal bank from 0.4% in April'22 to 4.9% in March'23, RBI also raised the repo rates by 250 bps from 4.0% to 6.5% during the same period. Inflationary pressures have now started easing with a transmission of softening WPI inflation expected soon on CPI inflation. Forecasts by various international agencies show moderating inflation in India in FY 2023-24 in the range of 5.0%- 6.0%, within RBI's target range.

### **Indian Agricultural Sector Overview**

Agriculture and allied sectors continue to remain one of the most important sectors of the Indian economy and is the main source of livelihood for ~55% of India's population (Source: India Brand Equity Foundation). India is the largest producer of milk and pulses globally and continues to be the second largest in production of rice, wheat, sugarcane, cotton, groundnuts and fruits & vegetables. India also ranks amongst the top economies in production of fish, spices, poultry and livestock. The agriculture and allied sectors have remained resilient throughout the several external disruptions and is estimated to have grown by 4.0%.

In FY 2022-23, as per third advance estimates by Central Statistical Office (CSO). The sector accounted for 18.3% of the total gross value added (GVA) during the FY 2022-23.

While headline rainfall numbers for FY 2022-23 reflect above average monsoon, the season was marked by highly erratic spatial distribution, extended withdrawal of monsoon and instances of flooding & crop damages. Out of 36 subdivisions, 12 (40% of total area) received excess rainfall and 6 (17%) received deficient rainfall. Southern and Western parts of the country received excess rains while Eastern region witnessed rainfall deficit for the entire season. Uneven monthly as well as geographic spread of south-west monsoon led to lower sowing of Kharif crops, mainly paddy and foodgrains. Rabi season was also delayed due to extended withdrawal of southwest monsoon and untimely & heavy rainfall in October.

Nonetheless, India's total food grains production was estimated to reach all-time high of 330.53 million MT in FY 2022-23, a growth of 4.7% year-on-year led mainly by rice, wheat and cereals (as per third advanced estimates). Backed by remunerative prices globally, India's Agri export also reached all-time high of ₹ 32 billion in FY 2022-23, a growth of 11% year-on-year. In 2023, overall monsoon is expected to be normal with expected rainfall at 96% of Long-period average (LPA), despite delayed start (Source: Indian Meteorological Department). While it is too early to predict evolving El-Nino conditions, any kind of impact is likely to be in the end-stages of monsoon.

In the Union Budget for FY 2023-24, Government of India has continued to focus on this sector and has made substantial budgetary allocations as below:

#### Union Budget FY 2023-24 Highlights for the agriculture sector

- Agricultural Credit target of ` 20 Lakh Crore for FY 2023-24, an increase of 11% year-on-year
- Rs. 8,514 Crore has been allocated to the Department of Agricultural Research and Education.
- Plan to set up a digital public infrastructure for agriculture as an "open source, open standard, and interoperable public good". This will enable inclusive farmer-centric solutions, market intelligence and support for the growth of Agri-tech industry.
- The Agriculture Accelerator Fund to be established with corpus of Rs. 500 Crore over a period of 5 years to encourage Agri-startups by young entrepreneurs.
- Allocation of Rs. 450 Crore for Digital Agricultural Mission and ` 600 Crore for the promotion of Agriculture sector through technology.

In view of the abovementioned, agriculture output is expected to remain robust and the sector is likely to continue on a growth path.

With regards to commodity prices, FY 2022-23 witnessed a softening of key commodity prices in the latter half of the year with world adapting to geo-political tensions, opening of grain export corridor from Ukraine and bumper sowing of all the major crops in key producing nations such as Soybean in Brazil and Maize in

**Aayush Food and Herbs Limited**  
**Annual Report FY 2022-23**

US. As per the World Bank report on Commodity market outlook, the World Bank commodity price index fell by 32% from its historic peak in June 2022. In addition, crude oil prices fell from high of \$138/barrel in March'22 to Low of \$70/barrel in March'23 amid the apprehension of deeper global slowdown. Nevertheless, as per the World Bank, "commodity prices still remain well above their pre-pandemic (2015-2019) and Agricultural prices are projected to decline 7% in 2023 and ease further in 2024".

**INDIAN RICE INDUSTRY**

**Indian Rice Market Analysis**

The India Rice Market size is expected to grow from USD 51.58 billion in 2023 to USD 58.07 billion by 2028, at a CAGR of 2.40% during the forecast period (2023-2028).

- According to the FAO, rice production in India accounted for 178.3 million metric tons in 2020. The cultivation of high-yielding rice varieties such as IR 64, CR 2301, Kudrat 5, etc., makes India the second-largest rice producer in the world after China, with more than 11.0% of the global production share. Rice production in the country has increased by 3.5 times in the last 60 years. According to the Rice Exporters Association, Indian rice exports touched 20 million tons in 2021, including 16 million tons of non-Basmati rice. Rice being an essential commodity, no country-imposed restrictions on its import, making the country to become the top exporter of rice in the world. The overall production was ample enough to support exports of around 16 million tons of non-Basmati rice. Higher demand for Indian rice from the North American and European regions in recent years and good climatic conditions are supporting the growth of the Indian rice market.
- The timely onset of monsoons, such as South-Western monsoons and North-Eastern monsoons in India, is a major driver for high rice production. This also results in higher productivity than in other Asian countries such as Thailand and Indonesia, as these countries are affected due to fluctuating rainfall causing floods and drought. The major rice-producing states in India are West Bengal, Uttar Pradesh, Andhra Pradesh, Punjab, Haryana, Tamil Nadu, Odisha, and Bihar.

**Indian Rice Market Trends**

- **September 2022:** The Government of India has prohibited the export of broken rice through an amendment made to the export policy, which is aimed at increasing the domestic availability of broken rice amid rising demand from the poultry industry and increasing ethanol production as part of Ethanol Blended Petrol (EBP) program in the country.
- **July 2022:** United Arab Emirates has announced an investment of over USD 2.0 billion in India aimed at developing food parks in the country to increase food security in South Asia and the Middle East regions. The food parks are aimed at developing relations between farmers, processors, and retailers by using advanced climate technology to maximize yields in rice, onion, and potatoes as a priority.
- **June 2022:** Vida Carbon Corp. signed an Emission Reduction Purchase Agreement with Core CarbonX Solutions Pvt Ltd, an established climate and sustainability consulting firm based in India. The agreement is aimed at improving the cultivation and water management practices of rice farmers on over 100,000 hectares in the state of Telangana in four phases, thereby increasing production.

**Agricultural Production and Exports**

The performance of the agriculture sector has been buoyant over the past several years supported by measures undertaken by the government to augment crop productivity, ensure certainty of returns to the farmers through price support, promote crop diversification, improve market infrastructure through the

**Aayush Food and Herbs Limited**  
**Annual Report FY 2022-23**

impetus provided for the setting up of farmer producer organizations and promotion of investment in infrastructure facilities through the Agriculture Infrastructure Fund. The Indian agriculture sector is projected to grow by 3.5% in FY 2022-23.

As per the second advance estimate released by the Ministry of Agriculture and Farmers Welfare, foodgrain production for 2022-23 is estimated at 324 million Tonnes, 2.5% higher than in 2021-22 which includes cereals 288 million Tonnes (up by 2.6%) and 28 million Tonnes (up by 1.9%) of pulses. The oil seeds are expected to grow by 5.4% to reach 40 million Tonnes and Sugar cane by 6.7% to reach 469 million Tonnes. Cotton at 34 million Bales to grow by 8.4%.

Agriculture exports remained buoyant in FY 2022-23 despite the restriction of some commodities supported by global demand and food prices. India continued to be a net exporter of agricultural products and expects the total agriculture exports to cross the USD 50 billion mark recorded in FY 2021-22.

**Opportunities, Strengths, Concerns**

**Opportunities and Strengths**

- ✓ **Increase market share in existing business verticals:** Several sectors in which your Company operates are largely unorganized, therefore, cost leadership is a key enabler for your Company to increase the market share of its products in those segments. The Company's ability to increase sales will be strengthened by continued focus on offering a wide range of innovative products across all business verticals which will help in gaining market share. Additionally, in the medium-term, due to supply chain disruption and lack of liquidity leading to the closure of smaller business units, larger players with strong balance sheets will gain market share.
- ✓ **Pan-India presence with extensive supply and distribution network to benefit the Company in the long-run:** Your Company has a pan-India presence and operations spanning across 5 (five) business verticals. The Company has set up processing facilities and supporting infrastructure as well as R&D to develop a modern operating platform across key agriculture verticals. As a result of its widespread network and significant operational experience, the Company is well placed to identify key market trends and introduce a range of innovative and value-added products in the market to cater to the evolving needs of the customers. The nationwide footprint also allows the Company to leverage the competitive advantages of each location to enhance competitiveness and reduce geographic and political risks in businesses.
- ✓ **Diversified businesses with synergies in operations:** Segmental and geographical diversification across business verticals provide a hedge against the risks associated with any particular industry segment or geography while benefiting from the synergies of operating in diverse but related businesses. Synergies across diverse businesses provide the ability to drive growth, optimize capital efficiency and maintain competitive advantage. The Company also derives operational efficiencies by centralizing and sharing certain key functions across businesses such as finance, legal, information technology, strategy, procurement and human resources.
- ✓ **Strong Research & Development (R&D) Capabilities:** The Company's emphasis on R&D has been critical to its success and a differentiating factor from competitors. Dedicated R&D is undertaken in existing products primarily with a focus to improve yields and process efficiencies. The Company also focuses on R&D efforts in areas where there is significant growth potential. Through our subsidiary Astec Life Sciences Limited, your company has access to strong R&D capabilities in the contract

manufacturing. Investment is also being made in developing innovative technologies to further grow our product portfolio across businesses.

- ✓ **Focus on inorganically growing business offerings:** Your Company will evaluate inorganic growth opportunities, in keeping with the strategy to grow and develop market share or to add new product categories. Your Company may consider opportunities for inorganic growth, such as through mergers and acquisitions, if, amongst other things, they consolidate market position in existing business verticals or achieve operating leverage in key markets by unlocking potential efficiency and synergy benefits. Your Company can also look at opportunities that will strengthen and expand its product portfolio and increase its sales and distribution network.

### **Concerns**

- **Unfavorable local and global weather patterns can have an adverse effect on the business:** As an Agri-based Company, the businesses are sensitive to weather conditions, including extremes such as drought and natural disasters. The availability of raw materials required for operations and the demand for products may be adversely affected by longer than usual periods of heavy rainfall in certain regions or a drought in India. The occurrence of any unfavorable weather patterns may adversely affect business, results of operations and financial condition.
- **Availability of raw materials and arrangements with suppliers for raw materials:** Each of the businesses depends on the availability of reasonably priced, high-quality raw materials in the quantities required by operations. The price and availability of such raw materials depend on several factors beyond the Company's control, including overall economic conditions, production levels, market demand and competition for such materials, production and transportation cost, duties and taxes and trade restrictions. The Company typically sources raw materials from third-party suppliers or the open market which exposes the Company to volatility in the prices of raw materials and dependence on third-party for delivery of raw material. Also, any inability to procure raw materials from alternate suppliers in a timely fashion, or on commercially acceptable terms, may adversely affect operations.
- **Improper handling, processing or storage of raw materials or products:** The products that your Company manufactures or processes are subject to risks such as contamination, adulteration and product tampering during their manufacturing, transport or storage. Inherent business risks exist in form of product liability or recall claims if products fail to meet the required quality standards or are alleged to result in harm to customers. Such risks may be controlled, but not eliminated, by adherence to good manufacturing practices and finished product testing. Although the Company has product liability insurance cover for domestic and international markets for businesses, it cannot assure that this insurance coverage is adequate or that any losses will be adequately compensated by the insurers in the event of a product liability claim.
- **Seasonal variations in the businesses:** Your Company's businesses are subject to seasonal variations that could result in fluctuations in performance. For example, in the animal feed business, the Company sells lower volumes of cattle feed during the monsoons due to the availability of green fodder. In the poultry and processed foods business, the demand for poultry products is higher in the second half of the Financial Year since the consumption of poultry meat and eggs is higher during winter months, while the sale of such products is lower during certain religious festivals. As a result of such seasonal fluctuations, sales and results of operations may vary by fiscal quarter. The sales and results of operations of any given fiscal quarter may not be relied upon as indicators of the sales or results of operations of other fiscal quarters or future performance. In addition, financial performance is also impacted by other risks such as inability to manage diversified operations, dependency of revenue from animal feed business and dependency of the utilization of services of third parties for our operations.

**FORM NO. AOC-2**

**PARTICULARS OF CONTRACTS / ARRANGEMENTS MADE WITH RELATED PARTIES**

(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:**

**M/s. Aayush Food and Herbs Limited** has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length basis during financial year 2022 23.

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

**M/s. Aayush Food and Herbs Limited** has not entered into contract or arrangement or transaction with its related parties which is at arm's length basis during financial year 2022-23.

**CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

**[Pursuant to Section 134 (3)(m) read with Rule 8(3) of Companies (Accounts) Rules, 2014]**

**A. Conservation of energy:**

<b>(i)</b>	the steps taken or impact on conservation of energy:	Your Company requires minimal energy consumption and every endeavour is made to ensure optimal use of energy, avoid wastages and conserve energy as far as possible.
<b>(ii)</b>	the steps taken by the company for utilizing alternate sources of energy:	
<b>(iii)</b>	the capital investment on energy conservation equipment's:	

**B. Technology absorption:**

<b>(i)</b>	the efforts made towards technology absorption:	Your company is mainly engaged in trading activity, however company ensures to maintain latest technologies, so that maximum benefit is derived overall. No technology has been imported during the period of last three financial years. Also there has been no expenditure incurred on R&D.
<b>(ii)</b>	the benefits derived like product improvement, cost reduction, product development or import substitution:	
<b>(iii)</b>	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year):	
<b>(iv)</b>	the expenditure incurred on Research and Development:	

**C. Foreign Exchange Earning and outgo:**

<b>(i)</b>	Activities relating to exports; Initiative taken to increase exports, development of new markets for products and services; and export plans:	During the year under review, the Company was engaged in the export of Packaged Basmati Rice in different weights. All the export was made to Gulf Countries basically to Saudi Arabia & Dubai (UAE). The Company receives all the remittances within the requisite time as per the LOA signed with customers. The Company abides all the rules & regulations with regard to foreign currency remittances prescribed by RBI.
<b>(ii)</b>	Total Foreign Exchange Earned	N.A.
<b>(iii)</b>	Total Foreign Exchange Used	N.A.

**Information of Particulars of employees pursuant to Section 197 of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

<b>Particulars</b>	<b>Remarks</b>				
The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year.	N. A.				
The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.	N. A.				
The percentage increase in the median remuneration of employees in the financial year.	NIL				
The number of permanent employees on the rolls of company.	05				
The explanation on the relationship between average increase in remuneration and company performance.	N. A.				
Comparison of the remuneration of the Key Managerial Personnel against the performance of the company.	N. A.				
Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year	Net worth (in Lakhs): <table border="1" data-bbox="966 913 1412 987"> <tr> <td>FY 2022-23</td> <td>Rs. 440.67/-</td> </tr> <tr> <td>FY 2021-22</td> <td>Rs. 474.99/-</td> </tr> </table>	FY 2022-23	Rs. 440.67/-	FY 2021-22	Rs. 474.99/-
FY 2022-23	Rs. 440.67/-				
FY 2021-22	Rs. 474.99/-				
Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	N. A.				
Comparison of each remuneration of the Key Managerial Personnel against the performance of the company.	N. A.				
The key parameters for any variable component of remuneration availed by the directors.	N. A.				
The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.	N. A.				
Affirmation that the remuneration is as per the remuneration policy of the company.	Yes				

**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2023**  
**[Pursuant to section 204(1) of the Companies Act, 2013 read with Rule No. 9 of the Companies**  
**(Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

**To,**  
**The Board of Director**  
**Aayush Food and Herbs Limited**  
**55, 2nd Floor, Lane 2, Westend Marg, Saidullajab,**  
**Near Saket Metro Station, Gadaipur**  
**New Delhi South West Delhi, Delhi - 110030, India**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Aayush Food and Herbs Limited** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us with a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and as produced before us, and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st day of March, 2023, (the audit period) complied with the statutory provisions listed hereunder and also that the Company has a Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Aayush Food and Herbs Limited ("The Company") and as produced before us for the financial year ended on 31st Day of March 2023 (audit period) according to the provisions of:

- 1) The Companies Act, 2013 (the Act) including any amendment thereto and the Rules made there under;
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- 3) The Depositories Act, 1996 and the Regulations and Bye laws framed there under;
- 4) 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;
- 5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company: -
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 including any amendment thereto;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities)

**Aayush Food and Herbs Limited**  
**Annual Report FY 2022-23**

Regulations, 2008;

- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereof and other applicable rules, regulations, and other communications issued from time to time.

6) Other laws applicable to the Company:

The Factories Act, 1948, Industrial Disputes Act, 1947, The Payment of Wages Act, 1936, The Minimum Wages Act, 1948, Employee State Insurance Act, 1948, The Employees Provident Fund and Miscellaneous Provisions Act, 1952, The Payment of Bonus Act, 1965, The Payment of Gratuity Act, 1972, The Contract Labour (Regulation and Abolition) Act, 1970, The Maternity Benefits Act, 1961, The Income Tax Act, 1961, Weekly Holiday Act, 1942, Goods and Services Tax (GST), The Sexual Harassment of Women at workplace (Prevention Prohibition and Redressal) Act, 2013 & amendments thereunder and other laws applicable to the Company as per the representations made by the Company, if any.

However, as per the explanations given to us and the representations made by the Management, there was no action/event occurred in pursuance of:

- a) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and
- d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.
- e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

Requiring compliance thereof by the company and were not applicable during the financial year ended, 31<sup>st</sup> March 2023 under review.

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

- I. Secretarial Standards issued by The Institute of Company Secretaries of India.
- II. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any amendment thereto.

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 generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that:**

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

Adequate notice to schedule the Board Meetings, agenda and detailed notes on agenda were sent to all

**Aayush Food and Herbs Limited**  
**Annual Report FY 2022-23**

directors at least seven days in advance or within prescribed time, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

The compliance by the Company with the applicable financial laws, like Direct and Indirect Tax laws, has not been reviewed in this audit since the same has been subject to review by Statutory Auditors and other designated professionals.

Based on the representation made by the Company and its Officers, we herewith report that majority decisions are carried through, and proper system is in place which facilitates / ensure to capture and record, the dissenting member's views, if any, as part of the minutes.

Based on the representation made by the Company and its Officers explaining us in respect of internal systems and mechanism established by the Company which ensures compliances of Acts, Laws and Regulations applicable to the Company, we report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the Audit Period there was no specific event / action having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulation and guidelines etc.

**For M/s. PRACHI BANSAL AND ASSOCIATES**  
**(Practicing Company Secretaries)**

**Sd/-**

**CS PRACHI BANSAL**

**Proprietor**

**Membership No: A43355**

**C. P. No.: 23670**

**Peer Review No.: I2020HR2093500**

**UDIN: A043355E000873461**

**Date: 26/08/2023**

**Place: Faridabad**

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

**To,**  
**The Members,**  
**Aayush Food and Herbs Limited**  
**55, 2nd Floor, Lane 2, Westend Marg, Saidullajab,**  
**Near Saket Metro Station, Gadaipur**  
**New Delhi South West Delhi, Delhi – 110030, India**

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

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

**For M/s. PRACHI BANSAL AND ASSOCIATES**  
**(Practicing Company Secretaries)**

**Sd/-**

**CS PRACHI BANSAL**

**Proprietor**

**Membership No: A43355**

**C. P. No.: 23670**

**Peer Review No.: I2020HR2093500**

**UDIN: A043355E000873461**

**Date: 26/08/2023**

**Place: Faridabad**

## **CHAIRMAN'S DECLARATION ON CODE OF CONDUCT**

To,  
The Members of  
Aayush Food and Herbs Limited

This is to certify that the Company has laid down a Code of Conduct (the Code) for all Board Members and Senior Management Personnel of the Company and a copy of the Code is put on the website of the Company viz [www.aayushfoods.com](http://www.aayushfoods.com).

It is further confirmed that all Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for Board of Directors and Senior Management Personnel, as approved by the Board, for the financial year ended on March 31, 2023.

**For and on Behalf of the Board of Directors**

**Aayush Food and Herbs Limited**

Sd/-

**NAVEENAKUMAR KUNJARU**

**Chairman & MD**

**DIN: 07087891**

**Place: New Delhi**

**Date: September 05, 2023**

## **CERTIFICATE ON VERIFICATION OF DEBARMENT OR DISQUALIFICATION OF DIRECTORS**

Pursuant to Regulation 34(3) read with Para C [10(i)] of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To  
The Members,  
Aayush Food and Herbs Limited  
55, 2nd Floor, Lane 2, Westend Marg, Saidullajab,  
Near Saket Metro Station, Gadaipur New Delhi  
South West Delhi DL 110030 IN

We have examined relevant registers, records, forms, returns and disclosures received from the Directors of Aayush Food and Herbs Limited (CIN: L01122DL1984PLC018307) (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Para C [10(i)] of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our knowledge and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company for the Financial Year ending on March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

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

**For MOHANDAS & CO.**  
**Chartered Accountants**  
**Firm Reg. No. 1 06529W**  
**Sd/-**  
**CA. Belle Mohandas Shetty**  
**(Proprietor)**  
**M. NO.' 031256**  
**UDIN, 23031256BGWFUX5446**

**Place: Mumbai**  
**Date: September 01, 2023**

## **CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION**

To  
The Board of Directors,  
Aayush Food and Herbs Limited  
55, 2nd Floor, Lane 2, Westend Marg, Saidullajab,  
Near Saket Metro Station, Gadaipur New Delhi  
South West Delhi DL 110030 IN

Dear Members of the Board

I, AKSHAY VIJAY NAWALE, Chief Financial Officer of Aayush Food and Herbs Limited, to the best of my knowledge and belief hereby certify that:

- a) We have reviewed financial statements and the cash flow statements for the year ended March 31, 2023 and that to the best of my knowledge and belief;
  - These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are no transactions entered into by the Company during the year that are fraudulent, illegal or violative of the Company's Code of Conduct;
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design and operations of such internal controls, if any, of which I am aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee:
  - (i) Significant changes in the internal control over financial reporting during the year under reference;
  - (ii) Significant changes in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements;
  - (iii) and (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**By Order of the Board**  
**For Aayush Food and Herbs Limited**  
**Sd/-**  
**AKSHAY VIJAY NAWALE**  
**Chief Financial Officer**

**Date: September 05, 2023**  
**Place: New Delhi**

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF AAYUSH FOOD AND HERBS LIMITED**

**I. Report on the Audit of the Standalone financial Statements**

**1. Opinion**

- A. We have audited the accompanying Standalone Financial Statements of **Aayush Food and Herbs Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").
- B. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Indi's") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**2. Basis for Opinion**

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit 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 Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no matters to be described as key audit matters.

**4. Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

- A. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Corporate Governance and Shareholder's Information to the extent applicable, but does not include the Standalone Financial Statements and our auditor's report thereon. Our opinion on the standalone financial statements does not over the other information and we do not express any form of assurance conclusion thereon.
- B. 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 Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

**5. Management's Responsibility for the Standalone Financial Statements**

- A. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Indi's and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
- B. In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to dose. The Board of Directors is responsible for overseeing the Company's financial reporting process.

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

- A. Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.
- B. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- i) 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.

ii) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

iv) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern

v) Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

- C. Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.
- D. 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.
- E. 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.
- F. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **II. Report on Other Legal and Regulatory Requirements**

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

**Aayush Food and Herbs Limited**  
**Annual Report FY 2022-23**

- A. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit
- B. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- C. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account
- D. In our opinion, the aforesaid standalone financial statements comply with the Ind ASs specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014
- E. On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- F. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- G. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- H. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i) The Company does not have any pending litigations which would impact its financial position.
  - 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, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), With the understanding whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate Beneficiaries;

- b. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been received by company from any person or entity, including foreign entity ("Funding parties"), with the understanding, whether recorded in writing or otherwise, that the company shall. Whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding party ("Ultimate Beneficiaries") or provide any guarantee, Security or the like on behalf of Ultimate Beneficiaries;
- c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

v) During the year, company has not declared or paid dividend during the year which is in compliance with section 123 of the Companies Act, 2013.

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

**For: GAMS & Associates LLP**  
**Chartered Accountants**  
**FRN: ON500094**  
**Sd/-**  
**CA Anil Gupta**  
**(Partner)**  
**M. No. 088218**  
**UDIN: 23088218BGWJWX6715**

**Place: New Delhi**  
**Dated: 30/05/2023**

**AAYUSH FOOD AND HERBS LIMITED**

**ANNEXURE "A" TO THE INDEPENDENT AUDITORS REPORT**

**(Referred to in 1(f) under 'Report on Other Legal and Regulatory Requirements' Section of our reports to the Members of Aayush Food and Herbs Limited of even date)**

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

We have audited the internal Financial Controls over financial reporting of **AAYUSH FOOD AND HERBS LIMITED** ("the Company") as at March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditor's Responsibility**

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

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

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

### **Meaning of Internal Financial Controls over Financial Reporting**

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For: GAMS & Associates LLP**  
**Chartered Accountants**  
**FRN: ON500094**  
**Sd/-**  
**CA Anil Gupta**  
**(Partner)**  
**M. No. 088218**  
**UDIN: 23088218BGWJWX6715**

**Place: New Delhi**  
**Dated: 30/05/2023**

**AAYUSH FOOD AND HERBS LIMITED**  
**ANNEXURE "B" TO THE INDEPENDENT AUDITORS REPORT**

**(Referred to in paragraph 2 under 'Report on Other Legal & Regulatory Requirements' section of our report to the Members of Aayush Food and Limited of even date)**

**Pursuant to Companies (Auditors Report) Order 2020**

To the best of our information and according to the explanations provided to us by the company and the books of accounts and records examined by us in the normal course of Audit, we state that:

- (i)
  - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
  - (b) As explained to us, the fixed assets have been physically verified by the management during the year at reasonable intervals having regard to the size of the company and nature of its business. No material discrepancies were noticed on such physical verification.
  - (c) As explained to us, there is no immovable property held by the company.
  - (d) The Company has not revalued any of its Property, plant and Equipments and Intangible assets during the year.
  - (e) No proceedings have been initiated during the year or are pending against the company as at March 31<sup>st</sup>, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii)
  - (a) As explained to us, the company holds inventory of shares and those are in demat form so it is not possible to physically verify the inventory by the management.
  - (b) The Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- (iii) The Company has granted loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Act. Accordingly the provisions of clause 3(iii) (a) to (C) of the Order are applicable to the Company.
  - 1. The Terms and conditions of the grant of such loan are prima facie not prejudicial to the company's interest.
  - 2. The schedule of repayment of principal and payment of interest has been stipulated and the repayments and receipts are regular.
  - 3. In respect of the loans granted by the company, there is no overdue amount

remaining outstanding as at the Balance sheet date.

4. No loan granted by the company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.
5. The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

(iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013, in respect of loans, investments, guarantees, and security.

(v) The company has not accepted any deposit or amounts which are deemed to be deposits and hence the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable. Hence, reporting under 3(v) of the order is not applicable.

(vi) As informed to us, the maintenance of cost records has not been specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, in respect of the activities carried on by the company.

(vii) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including provident fund, Employees State Insurance, Income-Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Goods and Services Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2023 for a period of more than six months from the date on when they become payable.

(b) According to the information and explanations given to us, there are no dues of Income Tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.

**Aayush Food and Herbs Limited**  
**Annual Report FY 2022-23**

- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act. 1961.
- (ix) a. The Company has not taken any loans or other borrowings from any lender. hence, reporting under clause 3(ix)(a) of the Order is not applicable.
- b. The Company has not been declared wilful defaulter by any bank or financial institution or government or government authority.
- c. The company has not taken any long 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, no funds were raised for short term by the company. Hence reporting under this clause is not applicable.
- e. On an overall examination of the financial statements of the company, the Company has not taken any funds from the entity or person on account of or to meet the obligations of its subsidiaries.
- f. The company has not raised any loans during the year and hence reporting of the clause 3(ix)(f) is not applicable.
- (x) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not raised money by way of initial public offer or further public offer including debt instruments and term loans. Also, Company has not made any preferential allotment or private placement of the shares or convertible debentures (fully or partly or optionally). Accordingly, the provisions of clause 3(x) of the order are not applicable to the company and hence not commented upon.
- (xi) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the company or on the company by its officers or employees has been noticed or reported during the year. Also, there were no whistle blower complaints received by the company which could be considered while determining the Nature, Timing and Extent of the Audit procedures. hence, reporting under clause 3(xi) is not applicable.
- (xii) In our opinion, the company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company.
- (xiii) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) a. In our opinion the company has an adequate internal audit system commensurate with the size and the nature of its business.

**Aayush Food and Herbs Limited**  
**Annual Report FY 2022-23**

b. We have considered, the internal audit reports for the year under audit, issued to the company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

(xvi) (a) The Company is registered under section 45-IA of the Reserve Bank of India Act, 1934.

(b) The company has not conducted any Non-banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from Reserve bank of India Act, 1934;

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

(d) There are no CIC as a part of the group.

(xvii) The company has not incurred Cash losses during the financial year covered by our audit and the immediately preceding financial year.

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

(xix) On the basis of financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit reports indicating 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 future viability of the company. We further state that our reporting is based on the facts upto 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 they fall due.

(xx) The CSR requirements are not applicable on the company. Hence, reporting under clause 3(xx) is not applicable.

**For GAMS & Associates LLP**  
**Chartered Accountants**  
**FRN: ON500094**  
**Sd/-**  
**CA Anil Gupta**  
**(Partner)**  
**M. No. 088218**  
**UDIN: 23088218BGWJWX6715**

**Place: New Delhi**  
**Dated: 30/05/2023**



**Aayush Food and Herbs Limited**  
**Annual Report FY 2022-23**

<b>Profit &amp; Loss Statement As on 31st March, 2023</b>				<b>(Rs. In Lakhs)</b>
<b>Particulars</b>		<b>Note No</b>	<b>For the Year Ended March 31, 2023</b>	<b>For the Year Ended March 31, 2022</b>
<b>I</b>	Revenue from operations (gross)	<b>17</b>	810.21	1,745.82
<b>II</b>	Other income	<b>18</b>	54.63	63.44
<b>III</b>	<b>Total income ( I + II )</b>		<b>864.85</b>	<b>1,809.27</b>
<b>IV</b>	<b>Expenses:</b>			
	Cost of materials consumed			
	Changes in inventories of finished goods and work-in-progress Excise Duty on sales	<b>19</b>	636.04	286.63
	Purchases		123.37	1,414.34
	Power and Fuel			
	Employee benefits expense	<b>20</b>	34.70	46.49
	Finance costs	<b>21</b>	6.33	68.38
	Depreciation and amortisation expense Other expenses	<b>3</b>	3.01	6.72
	Administrator & Other expenses	<b>22</b>	96.08	196.45
	<b>Total expenses</b>		<b>899.55</b>	<b>2,019.01</b>
<b>V</b>	<b>Profit/(loss) before exceptional item and tax (III-IV)</b>		<b>(34.70)</b>	<b>(209.74)</b>
<b>VI</b>	Exceptional item		<b>(34.70)</b>	<b>(209.74)</b>
<b>VII</b>	<b>Profit/(loss) before tax (V-VI)</b>			
<b>VIII</b>	Tax-expense/(Credit):			-
	-Current tax		0.27	2.02
<b>IX</b>	-Deferred tax(reversed)		<b>(34.43)</b>	<b>(207.72)</b>
<b>X</b>	<b>Profit/(loss) for the year (VII-VIII) Other Comprehensive income/(loss)</b>			
	<b>Item that will not be subsequently reclassified to profit or loss</b>			
	(a) Re-measurement gains/(losses) on defined benefit obligations			
	(b) Income tax effect			
<b>XI</b>	<b>Item that may be subsequently reclassified to profit or loss:</b>		<b>(34.43)</b>	<b>(207.72)</b>
	(a) Cash flow hedges			
	(b) Income tax effect			
	<b>Total Other Comprehensive income/(loss) for the year Total Comprehensive income/(loss) for the year</b>			
<b>XII</b>	Earnings/(loss) per equity share (of Rs. 10/- each) Basic and Diluted ( in Rs. per share)		(1.061)	0.000

See accompanying note nos. 1 to 28 forming part of the financial In terms of our report attached of the even date For and on behalf of Directors Aayush food & herbs Limited

Sd/-                      Sd/-                      Sd/-  
**Pallavi Mittal**                      **Kamna**                      **Kajal Mittal**  
**Managing Director**                      **Director**                      **(C.S)**  
**(DIN-07704583)**                      **(DIN-07865460)**                      **(PAN-CJHPM4314H)**

Place: New Delhi Date:  
30/05/2023

For: GAMS & Associates LLP  
Chartered Accountants  
FRN. ON500094  
Sd/-  
**CA Anil Gupta**  
**Partner M**  
**No-088218**  
**UDIN: 23088218BGWJWX6715**

**Aayush Food and Herbs Limited**  
**Annual Report FY 2022-23**

<b>Cash Flow Statement as on 31st March, 2023</b>			(Rs. In Lakhs)
	Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
<b>A.</b>	<b>Cash flow from operating activities</b>		
	Profit/(loss) before tax from	(34.70)	(209.74)
	- Continuing Operations		
	-Discontinued Operations		
	<b>Profit before Income Tax including discontinued operations</b>	<b>(34.70)</b>	<b>(209.74)</b>
	<b>Adjustments For:</b>		
	Depreciation and amortization expense	3.01	6.72
	Interest income		
	Finance cost		
	(Profit)/loss on sale of investments	(7.20)	
	<b>Change in operating assets and liabilities</b>		286.63
	(Increase)/Decrease in inventories Increase/(Decrease) in	636.04	(2,559.69)
	trade payables (Increase)/Decrease in other Liabilities	(77.91)	
	(Increase)/Decrease in trade receivables	(58.24)	
	(Increase)/Decrease in Other Current Assets	157.13	2,124.79
	(Increase)/Decrease in Short Term loans & Advances	(153.96)	
	Increase/(Decrease) in borrowings Increase/(Decrease) in	-	(7.48)
	provisions (Increase)/Decrease in other assets		(21.02)
			108.45
	<b>Sub-Total</b>	<b>498.88</b>	<b>(61.59)</b>
	<b>Cash generated from operations</b>	<b>464.18</b>	<b>(271.33)</b>
	Net Income taxes (paid) / refunds	(2.38)	(2.23)
	<b>Net cash inflows from operating activities A</b>	<b>461.80</b>	<b>(269.10)</b>
<b>B.</b>	<b>Cash flow from investing activities</b>		
	Capital expenditure on property, plant and equipments		
	including capital advances		
	Sale of property, plant and equipments Purchases of investments	17.86	44.07
	Sale of investments Interest received		
	Loans and advances recovered		
	<b>Net cash outflow from investing activities B</b>		
	<b>Cash flow from financing activities</b>	17.86	44.07
<b>C.</b>	<b>Cash flow from financing activities</b>		
	Proceeds from long-term borrowings Proceeds		
	from short term borrowings Repayment of long-		275.16
	term borrowings Repayment of short-term		
	borrowings Repayments of Short-Term	(494.90)	
	Borrowings		
	<b>Net cash outflow from financing activities C</b>		
	<b>Net (decrease) / increase in cash and cash equivalents A+B+C</b>	<b>(494.90)</b>	<b>275.16</b>
	<b>Cash and cash equivalents as at the beginning of the year</b>	<b>(15.24)</b>	<b>50.13</b>
		<b>77.08</b>	<b>26.95</b>
	<b>Cash and cash equivalents as at the End of the year</b>	<b>61.84</b>	<b>77.08</b>
See accompanying note nos. 1 to 28 forming part of the financial			
In terms of our report attached of the even date			
For and on behalf of Directors Aayush food & herbs Limited			
Sd/-	Sd/-	Sd/-	For: GAMS & Associates LLP
Pallavi Mittal	Kamna	Kajal Mittal	Chartered Accountants
Managing Director	Director	(C.S)	FRN. ON500094
(DIN-07704583)	(DIN-07865460)	(PAN-CJHPM4314H)	Sd/-
			CA Anil Gupta
			Partner M No-088218
			UDIN: 23088218BGWJWX6715
Place: New Delhi Date:			
30/05/2023			

**Aayush Food and Herbs Limited**  
**Annual Report FY 2022-23**

**Note 3: Property, Plant and Equipment**

Particulars	Freehold land	Freehold buildings	Furniture, fittings and equipment	Plant and machinery	Intangible Assets	Total	Capital work-in-progress
<b>Year ended 31 March 2023</b>							
<b>Gross Carrying Amount</b>							
Opening gross carrying amount	-	-	3.22	27.39	0.05	30.66	-
Exchange differences	-	-	-	-	-	-	-
Acquisition of subsidiary	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-
Assets classified as held for sale	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-
	-	-	-	19.62	-	19.62	-
	-	-	-	-	-	-	-
<b>Closing gross carrying amount</b>	-	-	3.22	7.77	0.05	11.04	-
<b>Accumulated depreciation and impairment</b>						-	
Opening accumulated depreciation	-	-	2.95	16.08	0.03	19.06	-
charge during the year	-	-	0.07	2.94	0.01	3.01	-
Impairment loss(if any)	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Exchange differences	-	-	-	11.72	-	11.72	-
Assets classified as held for sale	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
<b>Closing accumulated depreciation and impairment</b>	-	-	2	7.30	0.03	10.35	-
<b>Net Carrying Amount</b>			19	0.47	0.02	0.68	-

**Notes Forming Part of The Financial Statements** (Rs. In Lakhs)

**4 Financial assets - Noncurrent: Investment Properties**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Gross carrying amount</b>		
Opening gross carrying amount / Deemed cost	19.44	19.44
Additions	-	-
<b>Closing gross carrying amount</b>	19.44	19.44
Opening accumulated depreciation	-	-
Depreciation charge	-	-
<b>Closing accumulated depreciation</b>	-	-
<b>Net carrying amount</b>	<b>19.44</b>	<b>19.44</b>

**5 Deferred Tax Assets(net)**

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred Tax Assets	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**6 Financial assets - Noncurrent: Other Non-Current Assets**

Particulars	As at March 31, 2023	As at March 31, 2022
Sales Tax Refund	-	-
Advance Fees	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**7 Financial Assets-Current: Inventories**

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Finished goods	-	636.04
<b>Total</b>	<b>-</b>	<b>636.04</b>

**Aayush Food and Herbs Limited**  
**Annual Report FY 2022-23**

<b>8 Financial Assets-Current: Trade Receivables</b>		<b>(Rs. In Lakhs)</b>
<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Trade Receivables	132.16	283.26
Advance to supplier	-	6.03
<b>Total</b>	<b>132.16</b>	<b>289.29</b>
<b>9 Financial assets - Current: Cash and cash equivalents</b>		
<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Cash on hand	0.39	1.96
<b><u>Balances with banks:</u></b>		
Union Bank of India	0.67	0.22
Kotak Mahindra Bank	51.27	71.85
Axis Bank	1.89	1.51
Indusind Bank	7.43	1.33
Uco Bank	0.19	0.20
<b>Total</b>	<b>61.84</b>	<b>77.08</b>
<b>10 Financial assets - Current: Other Current Assets</b>		
<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b><u>Unsecured, considered good</u></b>		
Loan Given	145.00	-
Security Deposit	1.71	1.71
FDR	-	1.00
Prepaid expenses	-	(0.21)
Employee Advance	0.59	0.74
Duty Draw Back Receivable	0.96	0.96
Service Tax Receivable	0.71	0.71
Interest Accrued	0.05	0.11
TDS Recoverable	3.44	3.28
Others	15.13	-
GST Refundable	64.75	70.34
<b>Total</b>	<b>232.31</b>	<b>78.62</b>

**Aayush Food and Herbs Limited**  
**Annual Report FY 2022-23**

**Notes Forming Part of The Financial Statements**

**11 Share capital**

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of shares	Amount (Rs.)	Number of shares	Amount (Rs.)
<b>(a) Authorised Share Capital</b>				
Opening/Closing balance (equity shares of ₹10 each)	35,00,000	3,50,00,000	35,00,000	3,50,00,000
<b>TOTAL</b>	<b>35,00,000</b>	<b>3,50,00,000</b>	<b>35,00,000</b>	<b>3,50,00,000</b>
<b>(b) Issued, subscribed and fully Paid up</b>				
Opening/Closing balance (equity shares of ₹10 each)	32,45,000	3,24,50,000	32,45,000	3,24,50,000
<b>TOTAL</b>	<b>32,45,000</b>	<b>3,24,50,000</b>	<b>32,45,000</b>	<b>3,24,50,000</b>

Terms/rights attached to equity shares The Company has only one class of equity shares having par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the

**(c) Details of shares held by each shareholder holding more than 5% shares**

Name of Shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of Shares held	% Holding	No. of Shares held	% of Holding
PNR Financial Services Pvt. Ltd.	4,75,590	14.65%	4,75,600	14.65%
Rajnish Goenka	1,67,580	5.16%	3,95,767	12.19%
Arpna Capital Services Private Limited	1,78,390	5.49%	1,78,390	5.49%
Pallavi Mittal	9,05,378	27.90%	16,63,901	51.26%
Skybridge Incap Advisory LLP	3,01,827	9.30%	-	0.00%

**12 Reserve & Surplus**

(Rs. In Lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Amount	Amount	Amount	Amount
Security Premium Reserve	75.00	75.00	75.00	75.00
	<b>A</b>	<b>75.00</b>	<b>75.00</b>	<b>75.00</b>
Profit/(loss): Opening balance	75.49	280.98		
Add: Current year Profit	(34.43)	(207.72)		
Add: Earlier Tax adjustment	(0.11)	(2.23)		
	<b>B</b>	<b>41.17</b>	<b>75.49</b>	<b>75.49</b>
<b>TOTAL</b>	<b>A+B</b>	<b>116.17</b>	<b>150.49</b>	<b>150.49</b>

Note: Retained earnings comprises of prior and current year's undistributed earnings after tax.

Note: Initially, The company had issued its shares at premium (over and above the Face Value of Shares) the amount excess amount received

are kept separately in the account of Security Premium. The Security Premium shall be utilized in accordance with the provision

**Aayush Food and Herbs Limited**  
**Annual Report FY 2022-23**

**Notes Forming Part of The Financial Statements**

**Non-Current Liabilities:**

**(Rs. In Lakhs)**

**Financial Liabilities**

**13 Borrowings**

Particulars	As at March 31, 2023	As at March 31, 2022
Loan against WHR	-	489.17
ICICI Bank Ltd - Car Loan	-	5.72
<b>Total</b>	-	<b>494.90</b>

**Current Liabilities Financial Liabilities**

**14 Trade Payables.**

Particulars	As at March 31, 2023	As at March 31, 2022
Sundry creditors	-	77.91
Advance from customer	-	-
<b>Total</b>	-	<b>77.91</b>

**15 Other Current Liabilities**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Unsecured:</b>		
Expenses Payable	3.59	7.85
Audit Fee Payable	3.60	3.60
Advance from customer	-	51.74
ESIC/EPF payable	0.07	0.07
TDS Payables	0.53	2.79
<b>Total</b>	<b>7.80</b>	<b>66.04</b>

**16 Provisions**

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for Income Tax		-
Provision made for Expenses		-
<b>Total</b>	-	-

**Aayush Food and Herbs Limited**  
**Annual Report FY 2022-23**

<b>Notes Forming Part of The Financial Statements</b>		<b>(Rs. In Lakhs)</b>	
<b>17 Revenue from operations</b>			
Particulars	For the Year Ended		
	31-03-2023	31-03-2022	
Revenue from operation (gross)	810.21	1,745.82	
<b>Revenue from operation (gross)</b>	<b>810.21</b>	<b>1,745.82</b>	
<b>18 Other income</b>			
Particulars	For the Year Ended		
	31-03-2023	31-03-2022	
Interest Income	-	0.14	
Short & Excess	0.16	0.06	
Sale of Licence	-	42.00	
Amount W/o	30.34	3.45	
Misc. Income	16.94	17.80	
Profit on sale of fixed asset	7.20	-	
<b>Total</b>	<b>54.63</b>	<b>63.44</b>	
<b>19 Changes in inventories of finished goods and work-in-progress</b>			
Particulars	For the Year Ended		
	31-03-2023	31-03-2022	
<b>Opening inventories</b> Finished goods Work in progress By	636.04	922.67	
<b>Closing inventories</b> Finished goods Work in progress By	-	636.04	
<b>Total</b>	<b>636.04</b>	<b>286.63</b>	
<b>20 Employee benefits expense</b>			
Particulars	For the Year Ended		
	31-03-2023	31-03-2022	
(a) Salaries and wages (Including Bonus)	20.39	31.73	
(b) Director's Remuneration	13.20	13.20	
(c) Staff welfare expenses	1.10	1.56	
<b>Total</b>	<b>34.70</b>	<b>46.49</b>	

**Aayush Food and Herbs Limited**  
**Annual Report FY 2022-23**

<b>Notes Forming Part of The Financial Statements</b>		<b>(Rs. In Lakhs)</b>	
<b>21 Finance Cost</b>			
Particulars	For the Year Ended		
	31-Mar-23	31-Mar-22	
Interest expense	6.32	58.74	
Bank Charges	0.01	2.13	
Other borrowing cost	-	7.50	
Net loss on foreign currency transactions and translation (considered as	-	0.01	
<b>Total</b>	<b>6.33</b>	<b>68.38</b>	
<b>22 Other Expenses</b>			
Particulars	For the Year Ended		
	31-Mar-23	31-Mar-22	
Annual Listing Fees	-	3.00	
Advertising Expenses	1.06	3.79	
Audit Fee	4.00	4.00	
Consumable Stores	-	0.35	
Conveyance Expenses	1.17	1.42	
Discount	-	8.94	
Diwali Expenses	-	-	
Electricity Expenses	0.88	2.68	
Generator Running Expenses	-	0.52	
Legal and Professional expenses	0.60	0.60	
Travelling Expenses	0.23	0.14	
Office Expenses	2.03	1.71	
Printing & Stationary	0.28	0.55	
Insurance Transit	7.02	5.24	
Fees & Subscription	5.13	1.87	
Postage & Courier Expenses	0.15	0.24	
Domain Expenses	0.33	0.35	
Telephone Expenses	0.74	1.04	
Donation & Charity	-	0.54	
Casual labour	1.19	2.35	
Rent Paid	2.73	10.97	
Clearing & Forwarding Expenses	-	11.33	
Freight Outward Expense	4.84	8.87	
Inspection & Testing Expenses	-	13.49	
Ocean Freight Incurred	-	38.62	
Inland Haulage/Rail Freight Incurred	-	18.34	
Freight & Forwarding (Inward)	1.78	10.51	
Export Expenses	0.00	6.00	
Labour Expenses	0.39	6.87	
Repair & Maintenance	0.70	1.11	
Milling Expenses	3.92	10.38	
Storage Expenses	3.23	8.02	
Water Expenses	0.14	0.09	
Interest / Demand paid on GST	-	0.03	
Amount Written off	52.73	5.82	
Misc Expenses	0.04	0.87	
Admin Charges	0.67	0.06	
Apeda exp	-	0.22	
ROC exp	0.08	0.08	
Loss on sale of Fixed Assets	-	3.42	
Interest on Income Tax & TDS	-	2.04	
<b>Total</b>	<b>96.08</b>	<b>196.45</b>	

<b>Notes Forming Part of The Financial Statements</b>			<b>(Rs. In Lakhs)</b>
<b>23. Payment to Auditors</b>			
Particulars	Year ended March 31,2023	Year ended March 31,2022	
As Auditor-Statutory Audit and Internal Review	4.00	4.00	
For other services	-	-	
Reimbursement of Expenses	-	-	
<b>Total</b>	<b>4.00</b>	<b>4.00</b>	
<b>24. Earning Per Shares</b>			
Particulars	Year ended March 31,2023	Year ended March 31,2022	
Net Profit/(Loss) for the Year (In Rupees)	(34.43)	(207.72)	
Weighted No. of Ordinary Shares for Basic EPS	32.45	32.45	
Nominal Value of Ordinary Shares (in Rupee per Share)	10	10	
<b>Basic and Diluted Earning for Ordinary Shares (in ₹ Per Shares)</b>	<b>(1.061)</b>	<b>(6.401)</b>	
<b>25. Contingent Liabilities and Commitments</b>			
Particulars	Year ended March 31,2023	Year ended March 31,2022	
Guarantee given by bank	NIL	NIL	
Income Tax matter in dispute	NIL	NIL	
<b>26. Obligation &amp; Commitments Outstanding</b>			
Particulars	Year ended March 31,2023	Year ended March 31,2022	
a). Estimated Value of contracts remaining to be executed	NIL	NIL	
b). Bill Discounted with Bank	NIL	NIL	

**Aayush Food and Herbs Limited**  
**Annual Report FY 2022-23**

**Notes Forming Part of The Financial Statements**

(Rs. In Lakhs)

**Note No. 27 RELATED PARTY DISCLOSURES**

**A Names of Related Parties and Description of Relation:**

Name	Relationship
N A FOOD PVT LTD	Director's Relative Company
ASIA & AFRICA GENERAL TRADING LLC	Sister Concern Company
Ashish Associates	Director's Relative Firm
Santosh overseas	Director's Relative Firm

**Key Management Personnel**

Name	Post holding
PALLAVI MITTAL	MANAGING DIRECTOR
KAMNA	DIRECTOR
RAJESH GOEL	DIRECTOR
SHASHANK SHEKHAR CHATURVEDI	DIRECTOR
KAJAL MITTAL	CS (Part of the Year)
PREETI KATARIA	CS (Part of the Year)
PRADEEP KUMAR KARN	C.F.O (Part of the Year)
DANISH AHMED	C.F.O. (Part of the year)

**(a) Key Management Personnel Compensation**

Particulars	31-Mar-23	31-Mar-22
<b>Short-term employee benefits:</b>		
Pallavi Mittal	13.20	13.20
Preeti Kataria	0.91	4.20
Kajal Mittal	3.76	
Danish Ahmed	-	0.80
Pradeep Kumar Karn	2.88	2.88
<b>TOTAL</b>	<b>20.75</b>	<b>21.08</b>
<b>Re-imbusement of expenses:</b>		
Preeti Kataria	-	0.87
<b>Recovery of Advances:</b>		
Danish Ahmed	-	0.20

**(b) Transactions with Related Parties**

The following transactions occurred with related parties:

Sale of goods to Asia & Africa General Trading LLC	-	-
Amount Received from Asia & Africa General Trading LLC	-	-

**(c) Outstanding Balances Arising from Sales/Purchases of Goods and Services**

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

	31-Mar-23	31-Mar-22
<b>Trade Payables (purchases of goods and services)</b>		
Name of the Related Parties	-	-
Associates	-	-
Entities controlled by relative or key management personnel	-	-
<b>Total Payables to Related Parties</b>		

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

	31-Mar-23	31-Mar-22
<b>Trade Receivables (purchases of goods and services)</b>		
Name of the Related Parties	-	-
Asia & Africa General Trading LLC	-	-
Entities controlled by relative or key management personnel	-	-
<b>Total Receivable from Related Parties</b>		

**(f) Loans to/from Related Parties**

	31-Mar-23	31-Mar-22
<b>Loans to /from relative or key management personnel</b>		
Beginning of the year	-	-
Loans advanced	-	-
Loan repayments received	-	-
Interest charged	-	-
Interest received	-	-
<b>End of the year</b>	<b>-</b>	<b>-</b>

**Aayush Food and Herbs Limited**  
**Annual Report FY 2022-23**

<b>28. Analytical Ratio</b>				
<b>Particulars</b>	<b>Numerator</b>	<b>Denominator</b>	<b>2022-23</b>	<b>2021-22</b>
Current Ratio	Current Assets	Current Liabilities	54.95	7.52
Debt – Equity Ratio	Total Debt	Shareholder's Equity	0.02	1.34
Debt Service Coverage Ratio*	Earnings available for debt service	Debt Service	0.00	0.00
Return on Equity (ROE):	Net Profits after taxes	Shareholder's Equity	-0.08	-0.44
Inventory Turnover Ratio	Cost of goods sold OR sales	Average Inventory	2.55	2.24
Trade receivables turnover ratio	Net Credit Sales	Avg. Accounts Receivable	0.31	0.16
Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	3.17	1.04
Net capital turnover ratio	Net Sales	Working Capital	1.93	1.86
Net profit ratio	Net Profit	Net Sales	-0.04	-0.12
Operating Profit Margin	Operating Profit	Net Sales	-0.04	-0.09
Return on capital employed (ROCE)	Earning before interest and taxes	Capital Employed	-0.06	-0.16

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

**A E q u i t y share capital**

**(Rs. In Lakhs)**

<b>Particulars</b>	<b>As at March 31, 2023</b>	
	<b>Numbers of shares</b>	<b>Rupees</b>
<b>Equity shares of Rs. 10 each issued, subscribed and fully</b>		
<b>As at April 1, 2021</b>	32.45	324.50
<b>As at March 31, 2022</b>	32.45	324.50
<b>As at March 31, 2023</b>	32.45	324.50

**B Other equity**

<b>Particulars</b>	<b>Reserve and Surplus</b>				
	<b>Capital Reserve</b>	<b>Retained Earnings</b>	<b>Special Reserve</b>	<b>General Reserve</b>	<b>Total reserves</b>
<b>Balance as at April 1, 2021</b>	-	-	75.00	280.98	355.98
Profit for the year	-	-	-	(207.72)	(207.72)
Other comprehensive income/(loss) for the year <sup>3</sup> Add: Earlier Tax adjustment	-	-	-	- 2.23	-
<b>Balance as at March 31, 2022</b>	-	-	75.00	75.49	150.49
<b>Profit for the year</b>				(34.43)	(34.43)
Other comprehensive income/(loss) for the year				0.11	0.11
Add: Earlier Tax adjustment					
<b>Balance as at March 31, 2023</b>			75.00	41.17	116.17

# **CORPORATE INFORMATION AND SIGNIFICANT ACCOUNTING POLICIES**

## **Notes forming part of the Financial Statements**

### **1. Company Overview**

M/s **Aayush Food and Herbs Limited** (the "Company") is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act 1956 then applicable in India. It has been engaged primarily in the business of trading of rice in different varieties. The Company sale basmati and non-basmati rice in India as well as in out-side India. During the financial year beginning from April 01, 2022 to March 31, 2023, the company has recorded its major portion of revenue by selling rice in India.

### **2. Significant Accounting policies**

#### **2.1 Statement of Compliance**

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS").

#### **2.2 Basis of preparation**

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, and presentation requirements of Schedule III to the Act under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair value.

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

#### **2.3 Critical accounting judgments and key sources of estimation uncertainty**

The preparation of the financial statements in conformity with the Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures as at date of the financial statements and the reported amounts of the revenues and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different assumptions and conditions.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

**Critical Judgments** In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements:

**Contingences and commitments:** In the normal course of business, contingent liabilities may arise from litigations and other claims against the Company. Where the potential liabilities have a low probability of crystallizing or are very difficult to quantify reliably, company treat them as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings, company do not expect them to have a materially adverse impact on the financial position or profitability.

#### **Key sources of estimation uncertainty**

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

**Income taxes:** The Company's tax jurisdiction is India. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid /recovered for uncertain tax positions.

**Useful lives of property, plant and equipment:** As described in Note 2.8, the Company reviews the estimated useful lives and residual values of property, plant and equipment at the end of each reporting period. During the current financial year, the management determined that there were no changes to the useful lives and residual values of the property, plant and equipment.

**Allowances for doubtful debts:** The Company makes allowances for doubtful debts based on an assessment of the recover ability of trade and other receivables. The identification of doubtful debts requires use of judgment and estimates.

#### **2.4 Operating Cycle and Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification in accordance with Part-I of Division- II of Schedule III of the Companies Act, 2013.

##### **An asset is treated as current when it,**

- (a) Expected to be realized or intended to be sold or consumed in normal operating cycle;
- (b) Held primarily for the purpose of trading; or
- (c) Expected to be realized with in twelve months after the reporting period, or
- (d) The asset is cash or 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 current when,**

- (a) It is expected to be settled in normal operating cycle; or
- (b) It is held primarily for the purpose of trading; or
- (c) It is due to be settled within twelve months after the reporting period, or
- (d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counter party, results in its settlement by the issue of equity instruments do not affect its classification. The Company classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its normal operating cycle.

## **2.5 Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment inclusive of excise duty and net of returns, trade allowances, rebates, taxes and amounts collected on behalf of third parties and government.

**Sale of Goods** Revenue from the sale of goods is recognized when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- The Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company; and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**Interest income** Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

**Dividends** that there is no any dividend income has earned by the company during the current financial year, Generally, the company has policy to recognized the dividend income from investments when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

## **2.6 Segment Reporting**

In this financial year, the company has been presenting its first Financial Statements in the IND-AS. Therefore, the company has adopted the Indian Accounting Standard Abbreviate it "IND-AS-101 First Time Adoption of Indian Accounting Standard. Thus, the Standard has provided the relaxation to the companies for compliance of the provisions of certain IND-AS. Therefore, the company has decided not to report segment reporting during the current year it is transitional phase for implementation Indian Accounting Standard.

## **2.7 Foreign Currencies**

**Functional currency:** The functional currency of the Company is the Indian rupee.

**Transactions and translations:** In general, all foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions.

The Company has not having any Foreign-currency-denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date.

The Company has recognised its debtors and creditor which are located into overseas/offshore region at Foreign Currency Rate at transactions date. Thus, all the foreign Debtors/ Creditors if any has been recognising in Indian Rupee at balance sheet date.

## **2.8 Property, plant and equipment**

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the Statement of Profit or Loss when the asset is derecognized.

For transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognized as on April 1, 2016, measured as per previous GAAP as it deemed cost on the date of transition.

The company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Plant and Equipment :10 - 15 years

Office Equipment\* :3 to 6 years

Furniture And Fixture :10 years

Electrical Installation and Equipment: 10 years Vehicles: 10 years

\*Based on technical evaluation, the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule-II of the Companies Act 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, it appropriate.

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

## **2.9 Capital work-in-progress and intangible assets under development**

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

## **2.10 Intangible assets**

Intangible assets are measured on initial recognition at cost and subsequently are carried at cost less accumulated amortization and accumulated impairment losses, if any.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses on de-recognition are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

The Company amortizes intangible assets with a finite useful life using the straight-line method over the of useful lives determined by the terms of the agreement /contract. The estimated useful life is reviewed annually by the management.

### **2.11 Income tax**

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognized in Statement of Profit and Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

**Current tax:** Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an Intention to settle the asset and the liability on a net basis.

**Deferred tax:** Deferred income tax is recognized using the Balance Sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognized only to the extent that it is probable that either future taxable profits or reversal of deferred tax liabilities will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. The carrying amount of a deferred tax asset is reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realized, or the deferred tax liability is settled. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

### **2.12 Impairment of assets**

**Financial assets:** The Company assesses on a forward-looking basis the expected credit losses associated with its 42 financial assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

**PPE and intangibles assets:** Property, plant and equipment and intangible assets with finite life are evaluated for recover ability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e., higher of the fair valueless cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs.

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

### **2.13 Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cosine hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and equivalent subject to an insignificant risk of changes in value.

### **2.14 Provisions and Contingent Liabilities:**

Provisions are recognized 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. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

### **2.15 Inventories**

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

### **2.16 Non-derivative financial instruments**

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

**a. Financial assets- Subsequent measurement**

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

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

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

**b. Financial liabilities- Subsequent measurement**

Financial liabilities are measured at amortized cost using the effective interest method. The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings: After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost on accrual basis.

Composite financial Instrument: The fair value of the liability portion of an optionally convertible bond is determined using a market interest rate for an equivalent non-convertible bond. This amount is recorded as a liability on an amortized cost basis until extinguished on conversion or redemption of the bonds. The remainder of the proceeds is attributable to the equity portion of the compound instrument. This is recognized and included in shareholders' equity.

**De-recognition**

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

**C. Offsetting of financial instruments:**

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

**2.17 Borrowing costs**

General and specific borrowing costs (including exchange differences arising from foreign currency borrowing to the extent that they are regarded as an adjustment to interest cost) that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its

intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Other borrowing costs are expensed in the period in which they are incurred.

### **2.18 Employee Benefits**

Employee benefits consist of Short-Term Employment benefits such as salary, bonus, commission etc, and contribution to employees state insurance, provident fund, gratuity fund and compensated absences.

Post-employment benefit plans Defined Contribution plans Contributions to defined contribution schemes such as Company's provident fund contribution is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

### **2.19 Earnings per share (EPS)**

Basic EPS is computed by dividing the profit or loss attributable to the equity shareholders of the Company by the weighted average number of Ordinary shares outstanding during the year. Diluted EPS is computed by adjusting the profit or loss attributable to the ordinary equity shareholders and the weighted average number of ordinary equity shares, for the effects of all dilutive potential Ordinary shares.

Book Post:

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