



CHOTHANI FOODS LIMITED
ANNUAL REPORT
2020-2021



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CORPORATE INFORMATION
Board of Directors and Key Managerial Personnel:

NEERAJ ASHOK CHOTHANI (DIN: 06732169)	Managing Director
ASHOK SHIVJI CHOTHANI (DIN: 06732163)	Chairman and Executive Director
SUNIL SHIVJI CHOTHANI (DIN: 06732173)	Whole time Director
MONIL ASHOK CHOTHANI (DIN : 07978664)	Director
MANSI HARSH DAVE (DIN: 07663806)	Independent Director
NEERAJ ASHOK CHOTHANI	Chief Financial Officer
KHUSHBOO NIKHIL DESAI	Company Secretary and Compliance Officer

Committees:

1. Audit Committee:	
Mrs. Mansi Harsh Dave	Chairman
Mr. Sunil Shivji Chothani	Member
Mr. Neeraj Ashok Chothani	Member
2. Nomination & Remuneration Committee	
Mrs. Mansi Harsh Dave	Chairman
Mr. Sunil Shivji Chothani	Member
Mr. Monil Ashok Chothani	Member
3. Stakeholders Relationship Committee	
Mrs. Mansi Harsh Dave	Chairman
Mr. Monil Ashok Chothani	Member
Mr. Neeraj Ashok Chothani	Member



OTHER INFORMATION:

REGISTERED OFFICE:

OFFICE NO. 408, B WING, DHAMJI SHAMJI CORPORATE SQUARE,
LAXMI NAGAR, GHATKOPAR EAST, MUMBAI - 400075, Maharashtra, India

Tel: +91-22-2344 6871; 2346 5315

Email: ashokmasalamart@gmail.com

Website: www.chothanifoodslimited.com

GODOWN AND PROCESSING UNIT:

Building No. C, Gala No. 3, Ground Floor,
Jai Matadi Compound, Kalher,
Bhivandi, Thane.

Email: ashokmasalamart@gmail.com

Website: www.chothanifoodslimited.com

REGISTRAR & TRANSFER AGENT :

Kfin Technologies Private Limited.

Selenium Building, Tower-B,

Plot No 31 & 32,

Financial District, Nanakramguda,

Serilingampally, Hyderabad,

Rangareddi, Telangana

India - 500 032.

Tel No.: +91 - 040 - 67162222

Fax No.: +91 - 040 - 23431551

www.kfintech.com

STATUTORY AUDITORS:

M/S. RAKESH R AGARWAL & ASSOCIATES,

Chartered Accountants

M-2, Sharda Chamber No. 1,

31, Keshavji Naik Road,

Bhat bazaar, Masjid Bunder (west)

Mumbai - 400 009

Tel: +91-22-23716074

E-mail: rakeshragarwal.associates@gmail.com

Firm Registration No- 119168W

REGISTRAR OF COMPANIES: Registrar of Companies, Mumbai, Maharashtra

100, Everest, Marine Drive, Mumbai - 400 002

Tel: +91-22-2284 6955, 2281 2627, 2281 2645

Fax: +91-22-22811977

Email: roc.mumbai@mca.gov.in

Website: www.mca.gov.in

DESIGNATED STOCK EXCHANGE:

SME PLATFORM OF BSE

P.J. Towers, Dalal Street, Mumbai, Maharashtra, 400 001

BANKERS:

Union Bank of India, Mumbai



NOTICE

08TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 08th Annual General Meeting of the members of Chothani Foods Limited will be held on Thursday, 30th September, 2021 at 10:00 a.m. at the Registered Office of the Company at Office No. 408, B Wing, Dhamji Shamji Corporate Square, Laxmi Nagar, Ghatkopar East, Mumbai-400075 to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Audited Financial Statement comprising of Balance sheet as at 31st March, 2021, Profit and Loss Account for the year ended on that date, Cash Flow Statement and the Notes together with the director's report and auditor's report thereon.
2. To appoint a Director in place of Mr. Monil Ashok Chothani (DIN: 07978664), who retires by rotation under the applicable provisions of the Companies Act, 2013 and being eligible offers himself for re-appointment.
3. To appoint statutory auditors and fix their remuneration.

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

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, as may be applicable and pursuant to the recommendations of the Audit Committee, M/s. Urvesh Tanna & Company, Chartered Accountants (Firm Registration No. 143047W), be appointed as statutory auditors of the Company, in place of retiring auditors M/s. Rakesh Agarwal & Associates, Chartered Accountants (Firm Registration No. 119168W), to hold office from the conclusion of this 8th AGM until the conclusion of the 13th AGM, at such remuneration and out of pocket expenses, as may be decided by the Board of Directors of the Company."

SPECIAL BUSINESS:

4. Appointment of Mr. Nikunj Vasantlal Chheda (DIN: 08033201) as an Independent Director (Non-Executive) of the Company.

To consider and if thought fit, to pass with or without modification, the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, on the recommendation of the Nomination & Remuneration Committee and approval of the Board of Directors for appointment of Mr. Nikunj Vasantlal Chheda (DIN: 08033201), as an Additional Director in the capacity of Independent Director of the Company w.e.f. August 31, 2021, who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and is eligible for appointment, and in respect of whom the Company has received a notice in writing from a member in terms of Section 160 of the Companies Act, 2013 and who holds office up to the date of the ensuring Annual General Meeting be and is hereby appointed as a Non-Executive Independent Director of the Company for a period of five years with effect from August 31, 2021 till August 30, 2026 and the term shall not be subject to retirement by rotation.



Registered Office:
Office No. 408, B Wing,
Dhamji Shamji Corporate Square,
Laxmi Nagar, Ghatkopar East,
Mumbai - 400075

For Chothani Foods Limited

Sd/-
Neeraj Chothani
Managing Director
(DIN: 06732169)

Date : 31/08/2021

Place: Mumbai

NOTES:

- (a) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE (ONLY ON POLL) INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The duly completed and signed Proxy Form should be deposited at the Registered Office of the Company, not less than 48 hours before the commencement of Meeting. A proxy form is annexed to this report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy for any other person or shareholder.

- (b) The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 24th September, 2021 to Thursday, 30th September, 2021 (both days inclusive).
- (c) An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to Special Business to be transacted at the meeting is attached hereto.
- (d) The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking appointment/re-appointment at this AGM is annexed.
- (e) The notice of 8th Annual General Meeting of the Company and Annual Report 2020-21, is being sent by electronic mode to those Members whose email id(s) are registered with the Company/Depositories. A copy of the notice of the AGM along with the Annual Report is also available for download on the website of the Company at www.chothanifoodslimited.com.
- (f) Members/Proxy holders are requested to bring their copy of Annual Report and Attendance slip sent herewith duly filled-in for attending the Annual General Meeting.
- (g) Members who wish to obtain information of the Company may send their queries at least 10 days before the Annual General Meeting to the Company Secretary at the Corporate Office of the Company.
- (h) 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.
- (i) Corporate Members intending to send their authorized representatives to attend the meeting pursuant to Section 113 are requested to send a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.



- (j) The Shareholders are requested to notify changes of their address immediately to the Registrars & Transfer Agent **Kfin Technologies Private Limited**. The Company or its registrar will not act on any request received directly from the shareholder holding shares in electronic form for any change of bank particulars or bank mandate. Such changes are to be advised only to the Depository Participant by the Shareholders.
- (k) As per the provisions of Section 72 of the Act, the facility for making nomination is available for the members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit the said details to their DP.
- (l) Non- Resident Indian Members are requested to inform Registrar and Transfer Agent, immediately of:
- Change in their residential status on return to India for permanent settlement.
 - Particulars of their Bank Account maintained in India with complete name, branch, account, type, account number and address of the bank with pin code number, if not furnished earlier.
- (m) Members are requested to intimate their Email IDs for correspondence and quicker response to their queries.
- (n) Shareholders are requested to bring their copy of the Annual Report to the meeting as the practice of handing out copies of the Annual Report at the Annual General Meeting has been discontinued in view of the high cost of paper and printing.
- (o) All documents referred to in the Notice and Explanatory Statement requiring the approval of the Members at the meeting and other statutory registers shall be available for inspection by the Members at the Registered office of the Company during office hours on all working days between 10.00 a.m. to 5.00 p.m. from the date of hereof up to the date of the Annual General Meeting.
- (p) The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection at the Annual General Meeting.
- (q) Members holding shares in dematerialized form are requested to intimate all changes pertaining to their registered e-mail id, bank details, NECS, mandates, nominations, power of attorney etc. to their Depository Participants. Changes intimated to the Depository Participants will then be automatically reflected in the Company's records which will help the Company and its Registrar and Share Transfer Agent M/s. Kfin Technologies Private Limited, to provide efficient and better service to the members. Members holding shares in physical form if any are requested to advice such changes to the Company's Registrar and Share Transfer Agent M/s. Kfin Technologies Private Limited.
- (r) A Route Map to reach the venue of the Annual General Meeting is annexed with the Notice of Annual General Meeting.
- (s) M/s. K Pratik & Associates, Practicing Company Secretaries, has been appointed as Scrutinizers to scrutinize the voting process in a fair & transparent manner.
- (t) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM.



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(Formerly known as "Ashok Masala Mart Limited")

- (u) The Scrutinizer shall, after the conclusion of voting at the AGM, count the votes cast at the meeting and shall submit within 48 hours of the conclusion of the AGM, a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him / her in writing, who shall counter sign the same and declare the result of the voting forthwith.
- (v) The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.chothanifoodslimited.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.
- (w) The Company has listed its shares on the SME Platform of Bombay Stock Exchange Limited on August 22, 2017.
- (x) The listing fees till date have been paid.
- (y) The AGM will be held at the said venue by strictly adhering to the Social Distancing Norms and Other Safety Protocols including face masks, hand sanitization etc. as per the latest guidelines /advisories /SOP issued by the Ministry of Health & Family Welfare, Govt. of India and the State Govt. amid COVID-19 Pandemic.

Registered Office:

Office No. 408, B Wing,
Dhamji Shamji Corporate Square,
Laxmi Nagar, Ghatkopar East,
Mumbai -400075

Date : 31/08/2021

Place: Mumbai

For Chothani Foods Limited

Sd/-
Neeraj Chothani
Managing Director
(DIN: 06732169)



Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013.

Item No. 3 : Appointment of M/s. Urvesh Tanna & Company as statutory auditors of the Company

M/s. Rakesh Agarwal & Associates, Chartered Accountants (Firm Registration No. 119168W) were appointed as statutory auditors of the company at 3rd AGM for a period of 5 years. In terms of their appointment made at the 3rd AGM held on 30.09.2016, they are holding office of the auditors up to the conclusion of the 8th AGM and hence, would retire at the conclusion of the forthcoming 8th AGM.

As per Section 139(2) of the Companies Act, 2013 ('the Act'), No listed company shall appoint or re-appoint an individual as auditor for more than one term of five consecutive years.

Accordingly, as per the said requirements of the Act and pursuant to the recommendations of the Audit Committee, M/s. Urvesh Tanna & Company (Proprietor), Chartered Accountants, (Firm Registration No. 143047W) is proposed to be appointed as statutory auditors of the company, at remuneration of Rs. 50,000/- for a period of 5 years, commencing from the conclusion of 8th AGM till the conclusion of the 13th AGM.

M/s. Urvesh Tanna & Company, Chartered Accountants, have consented to the said appointment and confirmed that his appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. He has further confirmed that he is not disqualified to be appointed as statutory auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

None of the Directors/Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the resolution set out at item No. 3 of the notice.

The Board recommends the Resolution at Item No. 3 to be passed as an ordinary resolution.

Item No.4: Appointment of Mr. Nikunj Vasantlal Chheda (DIN: 08033201) as an Independent Director (Non-Executive) of the Company.

The Nomination & Remuneration Committee at its Meeting held on 31st August, 2021 considered, approved and recommended to the Board and/or Shareholders (Members), the appointment of Mr. Nikunj Vasantlal Chheda (DIN: 08033201), as an Independent Director for a period of five (5) years effective from 31st August, 2021. Subsequently, the Board of Directors of the Company at its meeting held on 31st August, 2021 appointed Mr. Nikunj Vasantlal Chheda (DIN: 08033201), as an Additional (Non-Executive Independent) Director with effect from the said date. Pursuant to the provision of the section 161 of the Companies Act 2013, Mr. Nikunj Vasantlal Chheda (DIN: 08033201), holds office up to the date of this Annual General meeting of the Company. A notice has been received from him proposing his candidature for the office of Director of the Company.

Mr. Nikunj Vasantlal Chheda (DIN: 08033201), have given the declaration to the Board that he meet the criteria of the Independence as provided in section 149(6) of the Companies Act, 2013. In the opinion of the board, he fulfill the conditions as specified in the Act, and Rules made thereunder for appointment as an Independent Director.

The terms and conditions of appointment of above Director shall be open for the inspection by the Members at the registered office of the company any working day during business hours of the company up to the date of Annual General Meeting.

The brief profile of the Independent director to be appointed is given below:

Mr. Nikunj Vasantlal Chheda (DIN: 08033201), aged, 32 years is a LL.B. and the Member of The Institute of Company Secretaries of India. He started his career in 2010 having vast experience in fields of Accounts, Finance, Corporate Laws, Legal Compliances, Corporate Governance, CSR.



The Board considers that appointment of Mr. Nikunj Vasantlal Chheda, as an Independent Directors of this Company would be in the interest of the Company. Accordingly, the Board recommends his appointed as an Independent Directors of the Company for a period of 5 (five) years with effect from the 31st August, 2021 and whose office shall not be liable to retirement of rotation.

Your Board recommends passing the proposed Resolution given in the resolution no. 4 as Special Resolution.



Particulars of the Directors seeking appointment/ re-appointment at the ensuring Annual General Meeting pursuant to the regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

Information required be furnishing under provisions of the Companies Act, 2013, Secretarial Standards and Regulation 36(3) of SEBI (LODR) Regulation, 2015, in respect of Director seeking to be appointed:

Particulars	Director	Independent Director
Name of the Director	Mr. Monil Ashok Chothani	Mr. Nikunj Vasantlal Chheda
Brief Resume	Mr. Monil is Non-Executive Director. He joined the Board on 13 th November, 2017. He has Bachelor of Engineering and has 7 years of expertise in Information Technology, Software development, Web Designing etc.	Mr. Nikunj Chheda has done his graduation in Commerce's from KES College of Arts and Commerce's Mumbai, and Post Graduation from Mumbai University. He is also Qualified Member of ICSI and also Completed LLB from Ambedkar Law College, Mumbai.
Qualification	B.E.	LL.B. and CS
Expertise in specific functional areas and Experience	Expertise in Information Technology, Software development, Web Designing	He has vast experience of 10 years in fields of Accounts, Finance, Corporate Laws, Legal Compliances, Corporate Governance, CSR
Executive & Non -Executive Director	Non- Executive	Non- Executive Independent Director <input type="checkbox"/>
Promoter Group	Yes	No
Directorship held in other Companies	None	None
Disclosure of relationships between directors inter-se	Son of Mr. Ashok Chothani - Chairman and Brother of Mr. Neeraj Chothani - Managing Director and Nephew of Mr. Sunil Chothani- Whole time Director	No relationship with any director <input type="checkbox"/>
Committee positions held in other Companies	None	None
Name of the Listed Companies from which director resigned in past 3 years	None	East West Holdings Limited w.e.f. 18 th May, 2018.
No. of Equity Shares held in the Company as on 31.03.2021	625 Equity Shares	NIL
Skills and Capabilities required (Applicable to Independent Director)	NA	Leadership, Integrity, Knowledge and skills in accounting and finance, Industry, Law, Compliances, Experience in developing and implementing good corporate governance practices.
Manner in which the proposed director meets such requirement (Applicable to Independent Director)	NA	With his vast experience in various areas the Board considers that his association would be of immense benefit to the Company and it is desirable to avail his services.



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With reference to SS-2, for the easy convenience of recipients of notice, Route map to the venue of Annual General Meeting of the Company is as under



**BOARD OF DIRECTOR'S REPORT**

To
The Members
CHOTHANI FOODS LIMITED

The directors take pleasure in presenting the 08th Annual report together with the Audited financial accounts for the Year ended 31st March, 2021.

FINANCIAL RESULTS

The working results of the company for the year ended are as follows:

Particulars	Financial Year ended	
	31/03/2021	31/03/2020
Total Income	3,96,85,530.59	4,57,43,908.40
Finance Charges	10,26,064.51	8,99,431.00
Depreciation	7,66,125.73	8,89,924.28
Income Tax (Current and prior year)	2,35,981.00	3,59,899.00
Deferred Tax Liability	7,707.22	21,839.24
Extra-ordinary Items	NIL	NIL
Net Profit/(Loss) After Tax	8,82,702.83	12,24,832.40
Profit/(Loss) carried to Balance Sheet	8,82,702.83	12,24,832.40

FINANCIAL HIGHLIGHTS

During the year, the net profit from operations of your Company is INR 8,82,702.83 (Rupees Eight Lakhs Eighty Two Thousand Seven Hundred Two and Eighty Three Paise only).

CAPITAL STRUCTURE

The Authorized Share Capital of your Company as on 31st March, 2021, stood at **INR 5,50,00,000.00** (Indian Rupees Five Crore Fifty Lakhs Only), comprising of 55,00,000 Equity Shares (Fifty Five Lakhs) of INR 10/- each.

As on 31st March, 2021, the issued, subscribed and paid up share capital of your Company stood at **INR 5,16,00,000.00** ((Indian Rupees Five Crore Sixteen Lakhs Only), comprising of 51,60,000 Equity Shares (Fifty One Lakhs Sixty Thousand) of INR 10.00 each. During the year under review, the Company has not made any allotment of Shares / Securities.

DIVIDEND

No dividend is being recommended by the Directors for the year ending on 31st March, 2021. As the Board of Directors wants to plough back the profit in the business.



DEPOSIT

During the year under review your company has not accepted any deposits from the public and therefore no information is required to be furnished in respect of outstanding deposits.

CHANGES IN NATURE OF BUSINESS

There is no significant change made in the nature of the company during the financial year.

NAME OF THE COMPANIES, WHICH HAVE BECOME OR CEASED TO BE SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

Not Applicable as the company has no subsidiaries, joint ventures or associates company.

RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

The Company has established a well-defined process of risk management, wherein the identification, analysis and assessment of the various risks, measuring of the probable impact of such risks, formulation of risk mitigation strategy and implementation of the same takes place in a structured manner. Though the various risks associated with the business cannot be eliminated completely, all efforts are made to minimize the impact of such risks on the operations of the Company. The Company on various activities also puts necessary internal control systems in place across the board to ensure that business operations are directed towards attaining the stated organizational objectives with optimum utilization of the resources.

DEMATERIALIZATION OF SHARES

100% Shareholding of the Company is in dematerialized form and the Company has entered into Tripartite Agreement with NSDL and CDSL for providing demat facilities to its shareholders KFin Technologies Private Limited continue to be our Registrar and Share Transfer Agent.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. Particulars of contract or arrangements with related parties is annexed herewith in Form AOC- 2 as "Annexure - A"

SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS

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

DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR

During the year, Mr. Ashok Chothani was liable to retire by rotation and was re-appointed in the 7th AGM. The Company has also received Disclosure of Interest by Directors as per the provisions of Section 184 of Companies Act, 2013.

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTOR(S) UNDER SECTION 149

The Board confirms that all the Independent Directors on the Board have given a declaration of their Independence to the Board as required under Section 149(6) of the Companies Act, 2013.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The company has not given any loans or guarantees or investments covered under the provisions of section 186 of the Companies Act, 2013 during the Financial Year 2020-21.

RESERVES

Your Company has transferred a net profit of INR 8,82,702.83 (Rupees Eight Lakhs Eighty Two Thousand Seven Hundred Two and Eighty Three Paise only) to Reserves during the financial year under review.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Monil Ashok Chothani, Director (DIN: 07978664) of the company is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

The Independent Directors of the Company have submitted the declaration of independence pursuant to Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provide in section 149(6) of the Companies Act, 2013.

The Board of Directors has appointed Mr. Nikunj Vasantlal Chheda (DIN: 08033201) as an Additional Director in the capacity of Non-Executive Independent Director of the Company on 31st August, 2021 on the recommendation of Nomination and Remuneration Committee, he shall hold office up to the date of the ensuing annual general meeting and being eligible offered himself for appointment as an Independent director by the members in the annual general meeting.

BOARD EVALUATION

In compliance with the provisions of the Companies Act, 2013 and other provisions, if any, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Nomination & Remuneration Committee and Shareholder's Grievance Committee.

MEETING OF BOARD OF DIRECTORS**A) Number of Board Meetings in the year**

During the year 05 meetings of the Board of Director's were held. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

Sr. No.	Date on which board Meetings were held
1.	15 th June, 2020
2.	30 th July, 2020
3.	13 th November, 2020
4.	7 th December, 2020
5.	22 nd February, 2021

B) Attendance of Directors at Board meetings held in the previous year are as follows:

Sr. No.	Name of Director	Category of Director	No. of Board Meeting attended	Attendanc e at the last AGM	No. of Committee Membership in which he/she is a Chair Person
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1	Neeraj Ashok Chothani (DIN: 06732169)	Managing Director	5	Yes	Member in Two Committee
2	Ashok Shivji Chothani (DIN : 06732163)	Chairman & Director	5	Yes	Not member in any committee
3	Sunil Shivji Chothani (DIN: 06732173)	Executive Non-Independent Director	5	Yes	Member in Two Committee
4	Mansi Harsh Dave (DIN: 07663806)	Independent Director	5	Yes	Member in Three Committee
5	Monil Chothani (DIN: 07978664)	Non-Executive Non Independent Director	5	Yes	Member in Two Committee

COMMITTEES

There are three Committees constituted as per Companies Act, 2013. They are:

- A. Audit Committee
- B. Nomination & Remuneration Committee
- C. Stakeholders & Relationship Committee

A. Audit Committee

During the year, Four (5) Audit Committee meetings were held on 15-06-2020, 30-07-2020, 13-11-2020, 07-12-2020 and 22-02-2021.

Sr. No.	Name	Designation	Position in committee	No. of Meetings Attended
1	Mrs. Mansi Harsh Dave	Independent Director	Chairman	4
2	Mr. Sunil Shivji Chothani	Whole-Time Director	Member	4
3	Mr. Neeraj Ashok Chothani	Managing Director	Member	4

B. Nomination and Remuneration Committee

During the year Two (2) Nomination & Remuneration Committee meetings were held on 30-07-2020 and 13-11-2020.

Sr. No.	Name	Designation	Position in Committee	No. of Meetings Attended
1	Mrs. Mansi Harsh Dave	Independent Director	Chairperson	02
2	Mr. Sunil Shivji Chothani	Whole-Time Director	Member	02
3	Mr. Monil Ashok Chothani	Director	Member	02

C. Stakeholders Relationship Committee

During the year Two (2) Stakeholders Relationship Committee meetings were held on 30-07-2020 and 13-11-2020.



Sr. No.	Name	Designation	Position in Committee	No. of Meetings Attended
1	Mrs. Mansi Harsh Dave	Independent Director	Chairman	02
2	Mr. Monil Ashok Chothani	Whole-Time Director	Member	02
3	Mr. Neeraj Ashok Chothani	Managing Director	Member	02

D. Independent Director Meeting:

During the year, no Independent Director meeting was held as the Company has only one director as an Independent Director. The Company is in process to identify the appropriate candidate who can act as an Independent Director.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

Mr. Nikunj Vasantlal Chheda has been appointed as an Additional Director in the capacity of Independent Director of the Company with effect from 31st August, 2021.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

Pursuant to rule 8(3) of the Companies (Accounts) Rules, 2014, it is stated that the Company has no particulars to be furnished under the head Energy Conservation and Technology Absorption because it has carried on no manufacturing activity during the year under review. The operations of the Company are not power intensive. The Company is, however, taking every possible steps to conserve the energy wherever possible. It has imported no technology.

During the year there is no expenditure/Income of foreign exchange.

EXPLANATION/COMMENTS BY THE BOARD ON QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE IN AUDITORS' REPORT AND SECRETARIAL AUDIT REPORT

During the audit Period, only 1 Independent Directors is on board of directors of the Company, One Director had resigned from the Board of Directors of the Company in the year 2018-19 and since then the place of 1 Independent Director is vacant.

The Company was in process to identify the appropriate candidate who can act as an Independent Director and Now, Mr. Nikunj Vasantlal Chheda has been appointed as an Additional Director in the capacity of Independent Director of the Company with effect from 31st August, 2021.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

The Auditors have not reported any fraud(s) during the period under review.

DISCLOSURE ABOUT CORPORATE SOCIAL RESPONSIBILITY

In line with the provisions of the Companies Act, 2013 and the rules framed there under with respect to the Corporate Social Responsibility (CSR), your company is not governed by the provisions of Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014. So, the Company is not required to formulate a policy on CSR and also has not constituted a CSR Committee.



EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "Annexure - B".

DIRECTORS' RESPONSIBILITY STATEMENT

- (i) To the best of their knowledge and belief and according to the information and explanation obtained by them, your Directors make the following statements in terms of the Section 134(3)(c) of the Companies Act, 2013.
- (ii) That in the preparation of the annual financial statements for the year ended March 31, 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (iii) That such accounting policies, as mentioned in the Financial Statements as 'Significant Accounting Policies' have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2021 and of the profit of the Company for the year ended on that date;
- (iv) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (v) That the annual financial statements have been prepared on a going concern basis;
- (vi) That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- (vii) That proper system to ensure compliance with the provisions of all applicable laws was in place and was adequate and operating effectively.

AUDITORS

(I) Statutory Auditors

M/s. Rakesh Agarwal & Associates, Chartered Accountants (Firm Registration No. 119168W) were appointed as statutory auditors of the company at 3rd AGM for a period of 5 years. Currently, they are holding office of the auditors up to the conclusion of the 8th AGM.

As per Section 139(2) of the Companies Act, 2013 ('the Act'), No listed company shall appoint or re-appoint an individual as auditor for more than one term of five consecutive years.

Accordingly, as per the said requirements of the Act, M/s. Urvesh Tanna & Company (Proprietor), Chartered Accountants, (Firm Registration No. 143047W) is proposed to be appointed as statutory auditors of the company, for a period of 5 years, commencing from the conclusion of 8th AGM till the conclusion of the 13th AGM.

M/s. Urvesh Tanna & Company, Chartered Accountants (Firm Registration No. 143047W), have consented to the said appointment and confirmed that his appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. He has further confirmed that he is not disqualified to be appointed as statutory auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.



The Audit Committee and the Board of Directors have recommended the appointment of M/s. Urvesh Tanna & Company, Chartered Accountants (Firm Registration No. 143047W), as statutory auditors of the Company from the conclusion of the 8th AGM till the conclusion of 13th AGM, to the shareholders.

(II) Secretarial Auditors

In terms of Section 204 of the Companies Act, 2013 and Rules made there under, M/s K Pratik & Associates, Practicing Company Secretary, have been appointed as a Secretarial Auditors of the Company. The Secretarial Audit report of the Secretarial Auditor is enclosed as “**Annexure-C** to this Report”

PARTICULARS OF EMPLOYEES

Disclosure pertaining to remuneration and other details as required under Section 197 (12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Annual Report and is marked as “**Annexure-D**” to this Report.

Further during the year, no employees of the Company were in receipt of remuneration in terms of the provisions of Section 197(12) of the Companies Act, 2013, read with Rules 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report for the financial year under review is annexed as a part of this Annual Report as “**Annexure-E.**”

CORPORATE GOVERNANCE

Company is listed on BSE-SME. Hence, Corporate Governance Report is not applicable to the company for financial year 2020-21.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has a vigil mechanism named Whistle Blower Policy (WBP) to deal with instances of fraud and mismanagement, if any. This mechanism is looked after by the Audit Committee of the Company.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with the Secretarial Standards on Meetings of the Board of Directors and General Meetings issued by the Institute of Company Secretaries of India (ICSI).

SEXUAL HARASSMENT

There was no case filled during the year, under the sexual harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013. Further Company ensures that there is a healthy and safe atmosphere for every women employee at the workplace and made the necessary policies for safe and secure environment for women employee.



ACKNOWLEDGEMENT

The Board wishes to place on record their sincere appreciation and acknowledge with gratitude the effort put in and co-operation extended by bankers, shareholders, employees at all levels and all other associated persons, bodies or agencies for their continued support.

Date: 31st August, 2021
Place: Mumbai

For Chothani Foods Limited

Sd/-
Neeraj Chothani
Managing Director
(DIN: 06732169)

ANNEXURE TO DIRECTOR'S REPORT:
ANNEXURE A
FORM AOC-2

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

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

Details of contracts or arrangements or transactions not at arm's length basis

1	Name(s) of the related party and nature of relationship	Nil
2	Nature of contracts/arrangements/transactions	Nil
3	Nature of contracts/arrangements/transactions	Nil
4	Salient terms of the contracts or arrangements or transactions including the value, if any-	Nil
5	Justification for entering into such contracts or arrangements or transactions	Nil
6	Date(s) of approval by the Board	Nil
7	Amount paid as advances, if any	Nil
8	Date on which the special resolution was passed in general meeting as required under first Proviso to section	Nil

Details of material contracts or arrangement or transactions at arm's length basis:

- (a) Name(s) of the related party and nature of relationship: N.A.
- (b) Nature of contracts/arrangements/transactions: N.A.
- (c) Duration of the contracts / arrangements/transactions: Nil
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any N.A.
- (e) Date(s) of approval by the Board (if any): N.A.
- (f) Amount paid as advances, if any: - Nil
- (g) Date on which the special resolution was passed in general meeting (if any): - NA

Date: 31st August, 2021
Place: Mumbai

For Chothani Foods Limited
Sd/-
Neeraj Chothani
Managing Director
(DIN: 06732169)



ANNEXURE B

FORM MGT- 9

EXTRACT OF ANNUAL RETURN

As on the financial year ended 31.03.2021

[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	L15122MH2014PLC252200
Registration Date	17 TH JANUARY, 2014
Name of the Company	CHOTHANI FOODS LIMITED (Formerly known as "ASHOK MASALA MART LIMITED")
Category / Sub-Category of the Company	COMPANY LIMITED BY SHARES
Address of the Registered office and contact details	OFFICE NO. 408, B WING, DHAMJI SHAMJI CORPORATE SQUARE, LAXMI NAGAR, GHATKOPAR EAST, MUMBAI-400075
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	KFIN TECHNOLOGIES PRIVATE LIMITED Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana India - 500 032. Tel No.: +91 - 040 - 67162222

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service*	% to total turnover of the Company
1	WHOLESALE TRADE OF SPICES	4630	100%

* As per National Industrial Classification 2008 - Ministry of Statistics and Programme Implementation

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address Of the Company	CIN/GLN	Holding/ Subsidiary /Associate	%of shares held	Applicable Section
1.	NA	NA	NA	NA	NA



IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Shareholding:

Category of Shareholders	No. of Shares held at the beginning of the year (01/04/2020)				No. of Shares held at the end of the year (31/03/2021)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1. Indian									
i. Individual/HUF	1118450	NIL	1118450	21.68	1118450	NIL	1118450	21.68	NIL
ii. Central Government	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
iii. State Government(s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
iv. Bodies Corporates	1381550	NIL	1381550	26.77	1381550	NIL	1381550	26.77	NIL
v. Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
vi. Any Other	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-total (A) (1)	2500000	NIL	2500000	48.45	2500000	NIL	2500000	48.45	NIL
2. Foreign									
i. NRI - Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
ii. Other - Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
iii. Bodies Corporates	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
iv. Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
v. Any Other	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-total (A) (2)		NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	2500000	NIL	2500000	48.45	2500000	NIL	2500000	48.45	NIL
B Public Shareholding									
1. Institutions									
i. Mutual Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
ii. Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
iii. Central Government	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
iv. State Government(s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
v. Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
vi. Insurance Companies	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
vii. FIs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
viii. Foreign Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
ix. Others (specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-total (B) (1)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
2. Non-Institutions									
(a) Bodies Corporates									
i. Indian	770001	NIL	770001	14.92	740000	NIL	740000	14.34	(0.58)
ii. Overseas	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
(b)) Individuals									
ii. Individual Shareholders holding nominal Share Capital upto 1 Lakhs	1179999	NIL	1179999	22.87	1140000	NIL	1140000	22.09	(0.78)
iii. Individual Shareholders holding nominal Share Capital in excess of 1 Lakhs	700000	NIL	700000	13.57	770000	NIL	770000	14.92	1.36
(c) Others (specify)	10000	NIL	10000	0.19	10000	NIL	10000	0.19	NIL
NRI Non- Repatriation									
Sub-total (B) (2)	2660000	NIL	2660000	51.55	2660000	NIL	2660000	51.55	NIL
Total Public Shareholding (B) = (B)(1)+(B)(2)	2660000	NIL	2660000	51.55	2660000	NIL	2660000	51.55	NIL
C Shares held by Custodian for GDRs & ADRs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Grand Total (A+B+C)	5160000	NIL	5160000	100%	5160000	NIL	5160000	100%	NIL



ii. Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year				Shareholding at the end of the Year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
1.	NEERAJ ASHOK CHOTHANI	150950	NIL	150950	2.92%	150950	NIL	150950	2.92%	NIL
2.	SUNIL SHIVJI CHOTHANI	482500	NIL	482500	9.35%	482500	NIL	482500	9.35%	NIL
3.	ASHOK SHIVJI CHOTHANI	482500	NIL	482500	9.35%	482500	NIL	482500	9.35%	NIL
4.	BABULAL THAKKAR	625	NIL	625	0.01%	625	NIL	625	0.01%	NIL
5.	BHAVANA SUNIL CHOTHANI	625	NIL	625	0.01%	625	NIL	625	0.01%	NIL
6.	MONIL ASHOK CHOTHANI	625	NIL	625	0.01%	625	NIL	625	0.01%	NIL
7.	HARILAL THAKKAR	625	NIL	625	0.01%	625	NIL	625	0.01%	NIL
8.	BONNE VOLONTE COMMUNICATIONS LLP	1381550	NIL	1381550	26.77%	1381550	NIL	1381550	26.77%	NIL

iii. Change in Promoter's Shareholding : During the year there is no Change in Promoters Shareholding.

iv. Shareholding of Top Ten Shareholders:
(Other than Directors, Promoters, and Holders of ADRs and GDRs)

SR. No.	Shareholder's Name and Type of transaction	Shareholding at the beginning of the Year		Transactions during the year			Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	Type of transaction	Date of transaction	No. of Shares	No. of Shares	% of total shares of the Company
1	Westpac Investment Pvt. Ltd	6,60,000	12.79					
	AT THE YEAR END						660000	12.79
2	UDHAY CHOWDHARY	100000	1.94	-	-	-		
	AT THE YEAR END						100000	1.94
3	SUJIT RAMDEV DAS	90000	1.74	-	-	-		
	AT THE YEAR END						90000	1.74
4	SUBHANKAR HOME	70000	1.36	-	-	-		
	AT THE YEAR END						70000	1.36
5	LAKHI PRASAD CHOWDHARY	60000	1.16	-	-	-		
	AT THE YEAR						60000	1.16
6	PAWAN KUMAR CHOWDHARY	60000	1.16	-	-	-		
	AT THE YEAR END						60000	1.16



7	BIJAY SARAF	20000	0.39					
					19/02/2021	10000	30000	0.58
					05/03/2021	30000	60000	1.16
	AT THE YEAR END						60000	1.16
8	GHANSHYAM S. MODI	40000	0.78	-	-	-		
	AT THE YEAR END						40000	0.78
9	PAWAN KUMAR CHOWDHARY	30000	0.58					
	AT THE YEAR END						30000	0.58
10	SHAH SONAMBEN ANKURKUMAR	30000	0.58					
	AT THE YEAR END						30000	0.58

v. Shareholding of Directors and Key Managerial Personnel:

Sr. No	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	As on 1 April, 2020				
1.	Neeraj Chothani	1,50,950	2.93	1,50,950	2.93
2.	Ashok Chothani	4,82,500	9.35	4,82,500	9.35
3.	Sunil Chothani	4,82,500	9.35	4,82,500	9.35
4.	Monil Chothani	625	0.01	625	0.01
5.	Mansi Dave	0	0	0	0
6.	Khushboo Desai	0	0	0	0
	TOTAL	11,16,575	21.64	11,16,575	21.64
	Date wise Increase / Decrease in Share holding during the year speci-fying the reasons for increase/decrease (e.g. allotment/transfer / bonus/ sweat equity etc):				
	As on 31 March, 2021				
1.	Neeraj Chothani	1,50,950	2.93	1,50,950	2.93
2.	Ashok Chothani	4,82,500	9.35	4,82,500	9.35
3.	Sunil Chothani	4,82,500	9.35	4,82,500	9.35
4.	Monil Chothani	625	0.01	625	0.01
5.	Mansi Dave	0	0	0	0
6.	Khushboo Desai	0	0	0	0
	TOTAL	11,16,575	21.64	11,16,575	21.64



V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment:

		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year					
i.	Principal Amount	81,88,993.24	NIL	NIL	81,88,993.24
ii.	Interest due but not paid	NIL	NIL	NIL	NIL
iii.	Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ ii + iii)		81,88,993.24	NIL	NIL	81,88,993.24
Change in Indebtedness during the financial year					
i.	Addition	23,29,658.88	NIL	NIL	23,29,658.88
ii.	Reduction	(101,290)	NIL	NIL	(101,290)
Net Change		22,28,368.88	NIL	NIL	22,28,368.88
Indebtedness at the end of the financial year					
i.	Principal Amount		NIL	NIL	
ii.	Interest due but not paid	NIL	NIL	NIL	NIL
iii.	Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ ii + iii)		1,04,17,362.12	NIL	NIL	1,04,17,362.12

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole Time director and /or Manager:

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		NEERAJ CHOTHANI (MD)	ASHOK CHOTHANI (CHAIRMAN)	SUNIL CHOTHANI (WTD)	
1.	Gross salary	NIL	NIL	NIL	NIL
a.	Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	NIL	NIL	NIL	NIL
b.	Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL	NIL
c.	Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	NIL	NIL	NIL	NIL
		NIL	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL

4.	Commission - as % of profit - Others (specify)	NIL	NIL	NIL	NIL
5.	Others, please specify	4,20,000	4,20,000	4,20,000	12,60,000
	Total (1+ 2 + 3 + 4 + 5)	4,20,000	4,20,000	4,20,000	12,60,000
	Ceiling as per the Act				

B. Remuneration to Other Director:

Sr. No	Particulars of Remuneration	Name of Director		Total Amount
1.	Independent Directors			
a.	Fee for attending Board / Committee Meetings			
b.	Commission			
c.	Others, please specify			
	Total (1)			
		-----NIL-----		
2.	Other Executive & Non-Executive Directors			
a.	Fee for attending Board / Committee Meetings			
b.	Commission			
c.	Others, please specify			
	Total (2)			

C. Remuneration to Key Managerial Personnel Other Than MD / Manager / WTD:

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
1.	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	3,00,000	NIL	3,00,000
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-
5.	Others, please specify	-	-	-
6.	Total	3,00,000	NIL	3,00,000



VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority[RD /NCLT/Court]	Appeal made. If any(give details)
A. Company					
Penalty			NIL		
Punishment					
Compounding					
B. Directors					
Penalty			NIL		
Punishment					
Compounding					
C. Other Officers In Default					
Penalty			NIL		
Punishment					
Compounding					

Date: 31st August, 2021
Place: Mumbai

For Chothani Foods Limited

Sd/-
Neeraj Chothani
Managing Director
(DIN: 06732169)

ANNEXURE- C
FORM NO. MR- 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2021
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of
the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
CHOTHANI FOODS LIMITED
(Formerly known as "ASHOK MASALA MART LIMITED")
OFFICE NO. 408, B WING, DHAMJI SHAMJI CORPORATE SQUARE,
LAXMI NAGAR, GHATKOPAR EAST, MUMBAI - 400075.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. CHOTHANI FOODS LIMITED. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company 's books, papers, minute books, forms and returns filed and other records maintained by the Company and also information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has during the audit period covering the financial year ended on 31st March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. CHOTHANI FOODS LIMITED for the financial year ended on 31st March, 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:
 - 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;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - 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;
 - f) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

- i. Factories Act, 1948;
- ii. Industrial Disputes Act, 1947;
- iii. Payment of Wages Act, 1936;



- iv. The Minimum Wages Act, 1948;
- v. The Maternity Benefit Act, 1961;
- vi. The Child Labour (Prohibition and Regulation) Act, 1986;
- vii. The Industrial Employment (Standing Orders) Act, 1946;
- viii. The Employees' Compensation Act, 1923 (earlier known as Workmen's Compensation Act, 1923);
- ix. Equal Remuneration Act, 1976;
- x. The Environment (Protection) Act, 1986;
- xi. The Environment (Protection) Rules, 1986;
- xii. The Hazardous Wastes (Management, Handling And Transboundary Movement) Rules, 2008;
- xiii. The Water (Prevention & Control of Pollution) Act, 1974;
- xiv. Water (Prevention & Control of Pollution) Rules, 1975;
- xv. The Air (Prevention & Control of Pollution) Act, 1981;
- xvi. The Air (Prevention & Control of Pollution) Rules, 1982;
- xvii. Sale of Goods Act, 1930;
- xviii. Income Tax Act, 1961;
- xix. Central Excise Act, 1944;
- xx. Central Excise Rules, 2002;
- xxi. Central Sales Act, 1956;
- xxii. Service Tax Rules, 1994;
- xxiii. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
- xxiv. Customs Act, 1962;
- xxv. Wealth Tax Act, 1957.

The management of the Company has informed us that other than the Acts as mentioned above, there is no industry specific law which is applicable to the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.

During the year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

We further report that,

The Board of Directors of the Company is not duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

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



We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period:

- Mrs. Mansi Harsh Dave, appointed as Woman Independent Director for second term of five (5) consecutive years with effect from 14th November, 2020 to 13th November, 2025 in the 07th Annual General Meeting dated 30th December, 2020;
- During the audit Period, only 1 Independent Directors is on board of directors of the Company, One Director had resigned from the Board of Directors of the Company in the year 2018-19 and since then the place of 1 Independent Director is vacant.

**For K PRATIK & ASSOCIATES
Practising Company Secretary**

**Date: 16/08/2021
Place: Mumbai**

**CS PRATIK HARSHAD KALSARIYA
Proprietor
Membership No. A33502
COP No.: 12368
*UDIN: A033502C000790379**

Note: 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.

** Note: Unique Document Identification Number (UDIN) is generated for this certificate and same is reported to the Institute of Company Secretaries of India and the UDIN is issued in accordance with the applicable provisions of the ICSI Unique Document Identification Number (UDIN) Guidelines, 2019.*



"ANNEXURE - A"

To,
The Members,
CHOTHANI FOODS LIMITED
(Formerly known as "ASHOK MASALA MART LIMITED")
OFFICE NO. 408, B WING, DHAMJI SHAMJI CORPORATE SQUARE,
LAXMI NAGAR, GHATKOPAR EAST, MUMBAI - 400075.

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

- 1) Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- 2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- 3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4) Where ever 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 test basis.
- 6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **K PRATIK & ASSOCIATES**
Practising Company Secretary

Date: 16/08/2021
Place: Mumbai

CS PRATIK HARSHAD KALSARIYA
Proprietor
Membership No. A33502
COP No.: 12368

ANNEXURE D
DETAILS OF REMUNERATION

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The percentage increase in remuneration of each Director during the Financial Year 2020-21, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2020-21 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No	Name of Director/ KMP and Designation	Remuneration of Director/ KMP for the financial year 2020-21	% Increase in Remuneration In the Financial Year 2020-21	Ratio of remuneration of each Director/ to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1.	Mr. Neeraj Chothani (Managing Director)	4,20,000	NIL	21:1	Company's revenue has decreased from Rs. 457.44 Lacs to Rs. 396.85 Lacs showing decrease of 13.24% against which Remuneration has remained unchanged as compared to last year.
2.	Mr. Sunil Chothani (Whole-time Director & CFO)	4,20,000	NIL	21:1	Company's revenue has decreased from Rs. 46.82 Lacs to Rs. 38.10 Lacs showing decrease of 18.63% against which Remuneration has remained unchanged as compared to last year.
3.	Mr. Ashok Chothani (Chairman)	4,20,000	NIL	21:1	Company's revenue has decreased from Rs. 46.82 Lacs to Rs. 38.10 Lacs showing decrease of 18.63% against which Remuneration has remained unchanged as compared to last year.
4.	Ms. Khushboo Desai (Company Secretary)	3,00,000	-	-	-

*None of the Independent Directors drew remuneration.

i The ratio of the remuneration of each director to the median remuneration of the employees of the company for the Financial Year:

The median remuneration of employees of the Company during the Financial Year was Rs. 20,000/- and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year is provided in the above table.



- ii. **The percentage increase in the median remuneration of employees in the Financial Year:**
In the Financial Year, there was marginal change in the median remuneration of employees.
- iii. **The number of permanent employees on the rolls of Company:**
There are 15 (Including KMP) permanent employees on the rolls of the Company as on March 31, 2021.
- iv. **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:**

There has been no increase in remuneration of employees including managerial personnel.
- v. **Affirmation that the remuneration is as per the remuneration policy of the company:**

It is hereby affirmed that the remuneration paid is as per the Policy for Remuneration of the Directors, Key Managerial Personnel and other Employees.

Date: 31st August, 2021
Place: Mumbai

For Chothani Foods Limited

Sd/-
Neeraj Chothani
Managing Director
(DIN: 06732169)

ANNEXURE- E

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Management Discussion and Analysis is given in a separate section forming part of the Director's Report in this Annual Report.

1. Industry Structure & Development:

India being the largest spice producing country producing 50 different types of spices and people are looking for ready-made food, and spice powder makes their cooking more accessible. Powdered spices are convenient to use, and it saves time and physical efforts for preparing different delicious cuisine. Every commercial food industry like hotels, restaurants, catering business and many more are using powder spices on a daily basis.

We are engaged into manufacturing and supplying of blended spices, whole spices and grinded spices. We have been supplying the traditional and delectable range of spices. We are committed to manufacture and supply different types of spices, meeting highest quality standards in line with customer requirements.

We have two brands "APPU MASALA" & "GAYATRI MASALA" with more than 30 types of Spices and Masalas including instant mix range such as Pav Bhaji Masala, Chaat Masala, Tea Masala, Garam Masala, Sambhar Masala, Punjabi Chole Masala, Biryani / Pulav Masala, Kitchen King Masala and various Powders like Red Chilli Powder, Jeera Powder, White Pepper Powder, Turmeric Powder. We are positioned as professional and built a reliable reputation within Maharashtra's spices arena.

2. Opportunities and Threats**Opportunities**

As growing acceptance by consumers, rise in the demand for Spices worldwide, we are constantly striving to expand our line of products and we are always on the lookout for complementary products that will add to our solution bouquet. We would seek product lines, which have better scope for value addition and therefore offer us higher than average margins.

Threats

Spices Industry is prone to changes in government policies. Any material changes in the duty and fluctuations in raw material prices may adversely impact our financials. There are no entry barriers in our industry, which puts us to the threat of competition from new entrants. Other factors which may have impact on the performance are intense competitive pressure, rising labour wages and perishable items. It is difficult to estimate the revival period of the Company.

3. Future Outlook

Food and beverage industry is the most important end user of spices in the world. Hence the usage of the spice powder is increasing consistently and futuristic. Packaged and frozen foods are also utilizing spices to make the food seem more edible while preserving it for a long time simultaneously. This has been contributing to the overall market growth of spices and will define its direction in the upcoming years.

In 2020 however the COVID-19 pandemic struck and disrupted the export markets and economics of countries across the globe. However, even when India's overall merchandise export had suffered and declined, the masala and spice export saw an increase of 23% in June 2020 as compared to the previous year, with the United States alone importing spices worth approximately 37 billion Indian rupees. Further the spice market is expected to expand at a CAGR of 6.5% from 2020 to 2027.



These figures and statistics point out that the spice and masala business continued to grow, despite a global pandemic, will continue to do so in the future, scaling new heights of success.

We are focused on achieving continuous, sustainable growth and leadership in the food industry through manufacturing wide range of finished products. We are into continuous efforts to provide innovative and deliver quality products to promote a healthy lifestyle. We are also focused on maximizing profits by increasing sales and reducing production costs and overheads.

4. **Segment Wise Performance**

The Company is engaged in manufacturing of masala and spices. The turnover of the Company for the year ended 31st March, 2021 is Rs. 3,96,85,530.59/-

5. **Risk & Concern**

The Company continuously works towards de-risking its business by adopting preventive measures. However, there are certain potential risks being more industry oriented and the management strongly feels the same could be mitigated by having systematic decisions and measures. These Industry Oriented risks are as listed below:

Procurement Risk: Adequate availability of key raw materials at the right prices is crucial for the Company. The major raw material being agro based, availability of same depends on the vagaries of nature. Therefore, any disruption in the supply due to a natural or other calamity or violent changes in the cost structure could adversely affect the Company's ability to reach its consumers with the right value proposition. However, the Company is adopting best possible measures to ensure constant supply at right prices.

Intense competition from unorganized sector: One of the characteristics of this industry is the presence of unorganized sector offering products in loose unbranded form which intensifies competition. The Company has invested significantly in building strong brands which helps differentiate its products.

Credit Risk: The Company has the capability of producing spices and spices products ware to suit the budget and tastes of customers and hence is optimistic of growth in domestic market. It also enjoys customer loyalty.

6. **Internal Control System and their Adequacy**

The Company's well defined organization structure, documented policy guidelines, predefined authority levels, and an extensive system of internal controls ensure optimal utilisation and protection of resources, accurate reporting of financial transactions and compliance with applicable laws and regulations. The Company's internal auditors review business processes and controls. The Audit Committee of the Board then discusses significant findings and corrective measures initiated.

7. **Financial performance and Operational Performance**

The company has achieved a total income of `396.85 Lakhs and net profit is at `8.83 Lakhs during the year ended 31st March, 2021 as compared to `457.44 Lakhs and net profit `12.25 Lakhs respectively for the last financial year.

8. **Human Resources/ Industrial Relations:**

Your Company considers its intellectual capital as its most valuable asset. Personnel policies of the Company are designated to ensure fairness to and growth of all individuals in the organization and aim to provide a challenging work environment. The Industrial Relations was harmonious cordial during the year under review.

9. There were no significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios.
10. Return on Net worth was 1.89% in the previous year while return on net worth in current year is 1.34%.

CAUTIONARY STATEMENT:

Statement made in this report in describing the company's objectives, estimates and expectations are "Forward looking Statement" within the meaning of applicable laws and regulations. They are based on certain assumptions and expectations of future events but the company, however, cannot guarantee that these assumptions are accurate or will be materialized by the company. Actual results may vary from those expressed or implied, depending upon the economic conditions, Government policies and/ or other related factors.



CEO/CFO CERTIFICATION

To,

The Board of Directors
Chothani Foods Limited

I, Neeraj Chothani, the Chief Financial Officer (CFO) of the Company do here by certify to the Board that:

1. We have reviewed financial statements and the cash flow statement for the year ending 31st March, 2021 and that to the best of their knowledge and belief:
 - (i) These statements do not contain any materially untrue statement or omit any material factor contain statements that might be misleading;
 - (ii) 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.
2. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit committee:
 - (i) Significant changes in internal control over financial reporting during the year;
 - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; 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;

Date: 31st August, 2021
Place: Mumbai

For Chothani Foods Limited
Sd/-
Neeraj Chothani
Managing Director
(DIN: 06732169)



INDEPENDENT AUDITORS' REPORT

TO,

THE MEMBERS OF CHOTHANI FOODS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **CHOTHANI FOODS LIMITED**, which comprise the Balance Sheet as at **31/03/2021**, the Statement of Profit and Loss, **the cash flow statement** for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Auditor's Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at **31/03/2021**, and its **and its cash flows** for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to notes to the financial results which describes the uncertainties and the impact of Covid-19 pandemic on the Company's operations and results as assessed by the management. Our opinion is not modified in respect of this matter.

Responsibility of Management and Those Charged with Governance (TCWG)

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company



and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor’s Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013. We give in the Annexure A statements on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.

As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and **the cash flow statement** dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards 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 **31/03/2021** taken on record by the Board of Directors, none of the directors is disqualified as **31/03/2021** 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, clause (i) of section 143(3) of Companies Act 2013 is not applicable as per Notification No. G.S.R. 464(E) dated 13th day of June, 2017.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.



CHOTHANI FOODS LIMITED
(Formerly known as "Ashok Masala Mart Limited")

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

Date : 30/06/2021
Place : MUMBAI

FOR RAKESH R. AGARWAL & ASSOCIATES
(Chartered Accountants)
Reg No. :119168W

RAKESH R. AGARWAL
Proprietor M.No. : 100223
UDIN : 21100223AAAAFR3663

ANNEXURE - A
Reports under The Companies (Auditor's Report) Order, 2016 (CARO 2016) for the year ended on 31st March 2021
To,
The Members of CHOTHANI FOODS LIMITED

We report that:-

Sl. No.	Comment Required on	Auditor's Opinion on Following Matter	Auditor's Remark
(i)	Fixed Assets	a) Whether the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets?	The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
		b) Whether these fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of accounts?	Fixed assets have been physically verified by the management at reasonable intervals; No material discrepancies were noticed on such verification.
		c) Whether the title deeds of immovable properties are held in the name of the company? If not, provide the details thereof.	YES
(ii)	Inventory	Whether physical verification of inventory has been conducted at reasonable intervals by the management and whether any material discrepancies were noticed and if so, whether they have been properly dealt with in the books of account?	Physical verification of inventory has been conducted at reasonable intervals by the management.
(iii)	Loans Secured or Unsecured Granted	Whether the company has granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the register maintained under section 189 of The Companies Act, 2013? if so,	The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained u/s 189 of the companies Act-2013.
		a) Whether the terms and conditions of the grant of such loans are not prejudicial to the company's interest?	N.A.
		b) Whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular?	N.A.
		c) If the amount is overdue, state the total amount overdue for more than ninety days, and whether reasonable steps have been taken by the company for recovery of the principal and interest?	N.A.
(iv)	Loan to director and investment by the company	In respect of loans, investments, guarantees, and security whether provisions of section 185 and 186 of the Companies Act, 2013 have been complied with. If not, provide the details thereof.	While doing transaction for loans, investments, guarantees, and security provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.



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v)	Public Deposits	In case, the company has accepted deposits, whether the directives Issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, where applicable, have been complied with? If not, the nature of such contraventions be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?	The company has not accepted any Deposits.
(vi)	Cost Accounting Records	Whether maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and whether such accounts and records have been so made and maintained?	The Company is not required to maintain cost records pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013.
(vii)	Statutory Compliance	a) Whether the company is 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, cess and any other statutory dues to the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated?	
		b) Where dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not be treated as a dispute)	There is no dispute with the revenue authorities regarding any duty or tax payable.
(viii)	Loan from Banks/ Financial Institution	Whether the company has defaulted in repayment of loans or borrowing to a financial institution, bank, government or dues to debenture holders? If yes, the period and the amount of default to be reported (in case of defaults to banks, financial institutions, and government, lender wise details to be provided)	The company has not defaulted in repayment of dues to financial institution, or a bank.
(ix)	Application of Money Received from Equity or Loan	Whether moneys raised by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purposes for which those are raised. If not, the details together with delays or default and subsequent rectification? if any, as may be applicable, be reported.	The Company has not applied term loans for the purposes other than for which those are raised
(x)	Fraud Reporting	Whether any fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year? If yes, the nature and the amount involved is to be indicated;	Based on our audit procedures and the information and explanation made available to us no such fraud noticed or reported during the year.
(xi)	Managerial Remuneration	whether managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act? If not, state the amount involved and steps taken by the company for securing refund of the same.	Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.



(xii)	Nidhi Company - Compliance with Deposits	Whether the Nidhi Company has complied with the Net Owned Funds to Deposits in the ratio of 1:20 to meet out the liability and whether the Nidhi Company is maintaining ten per cent unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability?	As per information and records available with us The company is not Nidhi Company.
(xiii)	Related Party Transactions	Whether all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards?	Yes , All transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
(xiv)	Issue of Share Capital and use of Amount Raised	Whether the company has made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and if so, as to whether the requirement of section 42 of the Companies Act,2013 have been complied with and the amount raised have been used for the purposes for which the funds were raised. If not, provide the details in respect of the amount involved and nature of non-compliance?	N.A.
(xv)	Transaction with Director	Whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether the provisions of section 192 of Companies Act, 2013 have been complied with?	The company has not entered into any non-cash transactions with directors or persons connected with him.
(xvi)	Registration from RBI	Whether the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and if so, whether the registration has been obtained?	The company is not required to be registered under section 45-IA of the Reserve Bank of India Act.

Place : MUMBAI
Date : 30/06/2021

FOR RAKESH R. AGARWAL & ASSOCIATES
(Chartered Accountants)
Reg No. :119168W

RAKESH R. AGARWAL
(Proprietor)
Membership No : 100223



CHOTHANI FOODS LIMITED
(Formerly known as "Ashok Masala Mart Limited")

BALANCESHEET AS AT 31ST MARCH, 2021

<u>PARTICULARS</u>	<u>NOTE</u>	<u>31-03-2021</u>	<u>31-03-2020</u>
		<u>RS.</u>	<u>RS.</u>
I) EQUITY AND LIABILITIES			
1) SHAREHOLDERS' FUND			
(a) SHARE CAPITAL	'2'	51600000.00	51600000.00
(b) RESERVE & SURPLUS	'3'	14207434.03	13324731.20
2) SHARE APPLICATION MONEY PENDING ALLOTMENT		NIL	NIL
3) NON-CURRENT LIABILITIES			
(a) LONG TERM BORROWINGS	'4'	10417362.12	8188993.24
(b) DEFERRED TAX LIABILITIES		229218.56	221511.33
(c) OTHER LONG TERM LIABILITIES		NIL	NIL
(d) LONG-TERM PROVISIONS		NIL	NIL
4) CURRENT LIABILITIES			
(a) SHORT TERM BORROWINGS		NIL	NIL
(b) TRADE PAYABLES	'5'	13238287.94	30390741.86
(c) OTHER CURRENT LIABILITIES		NIL	NIL
(d) SHORT - TERM PROVISIONS	'6'	235981.00	359899.00
Total		89928283.64	104085876.63
II) ASSETS			
1) NON-CURRENT ASSETS			
(a) FIXED ASSETS			
(i) TANGIBLE ASSETS	'7'	8846164.00	9419388.92
(ii) INTANGIBLE ASSETS	'7'	483452.44	644603.25
(iii) CAPITAL WORK-IN-PROGRESS		NIL	NIL
(iv) INTANGIBLE ASSETS UNDER DEVELOPMENT		NIL	NIL
(b) NON-CURRENT INVESTMENTS		NIL	NIL
(c) DEFERRED TAX ASSETS (NET)		NIL	NIL
(d) LONG-TERM LOANS & ADVANCES		NIL	NIL
(e) OTHER NON-CURRENT ASSETS		NIL	NIL
2) CURRENT ASSETS			
(a) CURRENT INVESTMENTS	'8'	399378.00	399378.00
(b) INVENTORIES	'9'	34196949.26	35060922.45
(c) TRADE RECEIVABLES	'10'	38009758.23	44959021.25
(d) CASH AND CASH EQUIVALENTS	'11'	6205936.80	5967886.73
(e) SHORT - TERM LOANS AND ADVANCES	'12'	1584875.71	6962509.63
(f) OTHER CURRENT ASSETS	'13'	201769.20	672166.40
Total		89928283.64	104085876.63

AS PER OUR REPORT ATTACHED HERETO

Signature to the Balance Sheet and Notes 1 to 13

For and on behalf of
Rakesh R. Agarwal & Associates
Chartered Accountants

For and on behalf of
M/S CHOTHANI FOODS LTD.
(Formerly known as Ashok Masala Mart Ltd.)

Sd/-
(Rakesh Agarwal)
Proprietor
MEM. NO.100223

Sd/-
(Ashok Chothani)
Chairman & Director
DIN : 06732163

Sd/-
(Neeraj Chothani)
Managing Director & C.F.O
DIN : 06732169

Sd/-
(Khushboo Desai)
Company Secretary

Place : Mumbai
Date : 30.06.2021



TRADING AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31-03-2021

<u>PARTICULARS</u>	<u>NOTE</u>	<u>31-03-2021</u>	<u>31-03-2020</u>
		<u>RS.</u>	<u>RS.</u>
I. REVENUE FROM OPERATIONS			
SALES		40111385.11	43093341.81
ACCRETION TO STOCKS OF FINISHED GOODS & STOCK-IN-PROGRESS	'15'	-8,63,973.19	2054276.59
II. OTHER INCOME			
	'14'	438118.67	596290.00
III. TOTAL REVENUE (I + II)		39685530.59	45743908.40
IV. EXPENSES			
COST OF MATERIALS CONSUMED		NIL	NIL
PURCHASES OF STOCK-IN-TRADE		29840494.55	33835152.69
CHANGES IN INVENTORIES OF FINISHED GOODS WORK-IN-PROGRESS AND STOCK-IN-TRADE		NIL	NIL
MANUFACTURING OVERHEADS		NIL	NIL
EMPLOYEE BENEFITS EXPENSE	'17'	1760153.00	2224482.00
FINANCE COSTS		1026064.51	899431.00
DEPRECIATION & AMORTISATION EXPENSE	'7'	766125.73	889924.28
OTHER EXPENSES		NIL	NIL
ADMINISTRATIVE & OTHER EXPENSES	'16'	4695904.55	5817950.58
PRELIMINARY EXPENSES	'13'	470397.20	470397.20
TOTAL EXPENSES		38559139.54	44137337.75
V. PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX (III - IV)		1126391.05	1606570.65
VI. EXCEPTIONAL ITEMS			
		NIL	NIL
VII. PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX (V-VI)		1126391.05	1606570.65
VIII. EXTRAORDINARY ITEMS			
		NIL	NIL
IX. PROFIT BEFORE TAX (VII - VIII)		1126391.05	1606570.65
X. TAX EXPENSES			
(1) CURRENT TAX		235981.00	359899.00
(2) DEFERRED TAX		7707.22	21839.24
XI. PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS (VII - VIII)		882702.83	1224832.40
XII. PROFIT/LOSS FROM DISCONTINUING OPERATION			
		NIL	NIL
XIII. TAX EXPENSES OF DISCONTINUING OPERATION			
		NIL	NIL
XIV. PROFIT/LOSS FROM DISCONTINUING OPERATIONS (AFTER TAX) (XII - XIII)		NIL	NIL
XV. PROFIT/LOSS FOR THE PERIOD (XI + XIV)		882702.83	1224832.40
XVI. EARNINGS PER EQUITY			
SHARE:			
(1) BASIC		0.17	0.24
(2) DILUTED		0.17	0.24

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

'1'

NOTES REFERRED TO ABOVE FORM AN INTEGRAL PART OF THE PROFIT AND LOSS ACCOUNT

AS PER OUR REPORT ATTACHED HERETO

Signature to the Profit & Loss Account and Notes 14 to 17 & 1, 7

For and on behalf of
Rakesh R. Agarwal & Associates
Chartered Accountants

For and on behalf of
M/S CHOTHANI FOODS LTD.
(Formerly known as Ashok Masala Mart Ltd.)

Sd/-
(Rakesh Agarwal)
Proprietor
MEM. NO.100223
Place : Mumbai
Date : 30.06.2021

Sd/-
(Ashok Chothani)
Chairman & Director
DIN: 06732163

Sd/-
(Neeraj Chothani)
Managing Director & C.F.O.
DIN : 06732169

Sd/-
(Khushboo Desai)
Company Secretary



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

A)	Cash Flow From Operating Activities	<u>2020 - 21</u>	<u>2019 - 20</u>
	Net Profit before Tax	1126391.05	1606570.65
	Adjustment For :		
	Add : Non Operating Profit and Non Cash Exp		
	Depreciation	766125.73	889924.28
	Deferred Tax Liability	7707.22	21839.24
	Interest and Other Financial Cost Paid	1026064.51	899431.00
	Less : Non Operative and Non Cash Income		
	Provision written off	Nil	3401.00
	Taxes Paid	243688.22	381738.24
	Operating Profit Before Working Capital Change	2682600.29	3032625.93
	Movements in Working Capital		
	Increase/(Decrease) in Liability	(1,71,52,453.92)	12106867.98
	Increase/(Decrease) in Provisions	(1,23,918.00)	(1,436.00)
	(Increase)/Decrease in Miscellaneous Expenditure	Nil	Nil
	(Increase)/Decrease In Sundry Debtors	6949263.02	(1,28,66,101.00)
	(Increase)/Decrease In Inventory	863973.19	(20,54,276.59)
	(Increase)/Decrease In Current Investments	Nil	Nil
	(Increase)/Decrease In Loans and Advances	5377633.92	2029516.96
	(Increase)/Decrease In Other Current Assets	470397.20	470397.20
	Net Cash (Used in) from Operating Activities	(36,15,104.59)	(3,15,031.45)
B)	Cash Flow From Investing Activities		
	Purchase of Fixed Assets	(31,750.00)	(50,523.00)
	Sale of Fixed Assets	Nil	Nil
	Net Cash Flow From Investing Activities	(31,750.00)	(50,523.00)
C)	Cash Flow From Finance Activities		
	Interest Paid	(10,26,064.51)	(8,99,431.00)
	Issue of Share Capital	Nil	Nil
	Loan Repaid	Nil	(86,893.48)
	Loan Received	2228368.88	Nil
	Dividend Paid	Nil	Nil
	Net Cash Flow from Financing Activities	1202304.37	(9,86,324.48)
	Net Cash Flow	238050.07	1680747.00
	Cash and Cash Equivalents 01-04-2020	5967886.73	4287139.73
	Cash and Cash Equivalents 31-03-2021	6205936.80	5967886.73

For and on behalf of
Rakesh R. Agarwal & Associates
Chartered Accountants

For and on behalf of
M/S CHOTHANI FOODS LTD.
(Formerly known as Ashok Masala Mart Ltd.)

Sd/-
(Rakesh Agarwal)
Proprietor
MEM. NO.100223
Place : Mumbai
Date : 30.06.2021

Sd/-
(Ashok Chothani)
Chairman & Director
DIN: 06732163

Sd/-
(Neeraj Chothani)
Managing Director & C.F.O.
DIN: 06732169

Sd/-
(Khushboo Desai)
Company Secretary

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS**NOTE - 1****1. BASIS OF PREPARATION**

The financial statements are prepared in accordance with the Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on an accrual basis. These financial statements have been prepared to comply in all material aspects with the Accounting Standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013.

2. USE OF ESTIMATES

The preparation of Financial statement of the company is on conformity with Indian Generally Accepted Accounting principles require management to make estimates that affect the reported amount of assets and liabilities at the date of the Financial Statement and the reported amounts revenue and expenses, during the reporting period, although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from these estimates, which are recognized in the period in which the results are known/materialized.

3. CURRENT / NON-CURRENT CLASSIFICATION

All assets and liabilities have been classified as current and non-current, as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and services and the time between acquisition of assets for processing and their realization in cash and cash equivalents. The Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

4. FIXED ASSETS

- (i) Fixed assets are stated at acquisition cost net of recoverable taxes, less accumulated depreciation and impairment loss.
- (ii) All costs, including financing cost till commencement of commercial activity attributable to the fixed assets are capitalised.
- (iii) Assets which are not ready for use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.
- (iv) Pursuant to the enactment of Companies Act, 2013, the company has applied the estimated useful lives as specified in the Schedule II. Accordingly, the unamortised carrying value is being depreciated / amortised over the revised / remaining useful lives.

5. DEPRECIATION

- (i) Depreciation on fixed assets is charged on Written Down Value as per useful life prescribed in Schedule II to the Companies Act, 2013.
- (ii) Assets costing Rs.5000/- or less are depreciated in full in the year of purchase.
- (iii) The intangible assets (Computer Software acquired for internal use) are capitalized in accordance with the relevant Accounting standard.

6. INVENTORIES

Inventories are valued at cost.

7. INVESTMENTS

- i) Investments are classified into current and non-current investments. Investments that are readily realizable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as non-current investments.



- ii) Current investments are carried at lower of cost or fair value. The comparison of cost and fair value is done separately in respect of each category of investments.
- iii) Non-current investments are stated at cost. A provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management.
- iv) On disposal of an investments, the difference between the carrying amount and net disposal proceeds is recognise in the statement of profit and loss.

8. REVENUE RECOGNITION

- (i) Sale of goods is recognised on dispatch and in accordance with the terms and condition of the sale.
- (ii) Income from investment is recognized, as and when received.

9. BORROWING COST

Borrowing costs that are allocated to the acquisition or constuction of qualified assets are capitalised as part of cost of such assets. A quilifying asset in one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charges to revenue.

10. TAXATION

- (i) Tax expenses are accounted in the same period to which the revenue and expense relate. Provision for current income tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the prevailing tax laws. The difference between the taxable income and the net profit and loss before tax for the year as per the financial statements are identified and the tax effect of timing difference is recognised as a deferred tax asset or deferred tax liability. The tax effect is calculated on accumulated timing differences at the end of the accounting year, based on effective tax rates substantively enacted by the Balance Sheet date.
- (ii) Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

11. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A provision is made based on reliable estimate when it is probable that an outflow or resources embodying economic benefits will be required to settle an obligation. Contingent liabilities, if material, are disclosed by way of notes to accounts. Contingent assets are not recognized or disclosed in the financial statement.

12. EARNING PER SHARE

The basis Earning per Share ("EPS") is computer by dividing the Net Profit after tax for the period available for the Equity Shareholders by the weighted average number of Equity shares outstanding during the period.

13. CONFIRMATION

Certain confirmation of balances from Sundry Debtors, Loans and Advances, Deposits and Sundry Creditors, including Advances received from Customers are awaited and the account reconciliation of some parties, where confirmation have been received, are in progress. Adjustment for differences, if any, arising out of such confirmation/ reconciliation would be made in accounts on receipt of final agreed balances/ reconciliation.

- 14. Miscellaneous expenditure are preliminary expenses amortized over the period of 5 year subject to faster write-off under AS-26.

15. CASH AND CASH EQUIVALENTS

Cash comprises of the cash on hand and demand deposits with banks. Cash equivalents are short term balances, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

16. TRANSACTION IN FOREIGN CURRENCY

The company has no foreign exchange transaction(s) during the year under consideration.

17. PAYMENT TO AUDITOR

Particulars	Current Year (In Rs.)	Previous Year (In Rs.)
For Company Audit	17,500.00	17,500.00
For Tax Audit	17,500.00	17,500.00
For Professional Fees	15,000.00	15,000.00
TOTAL	50,000.00	50,000.00

18. REMUNERATION TO DIRECTORS

Particulars	Current Year (In Rs.)	Previous Year (In Rs.)
Remuneration	12,60,000.00	12,60,000.00
Perquisites	00.00	00.00
Commission	00.00	00.00
Sitting Fees	00.00	00.00
TOTAL	12,60,000.00	12,60,000.00

19. The company's business is only being Trading in Whole and Grounded Spices and all operation are undertaken at single untis, Particulars segment-wise information is not applicable under Accounting Standard 17 Segmental Information (AS-17) specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

20. Previous year figures are regrouped or rearranged wherever applicable.

21. The company has not received any intimation from its suppliers being registered under Micro, Small and Medium Enterprises Development Act, 2006 (the Act). However, the company generally makes payment to all its suppliers within the agreed credit period. Hence the necessary disclosure required under MSME under Schedule III of the Companies Act, 2013 are as under :

- As stated above, there is no principal amount and the interest due thereon remained unpaid to any MSME supplier at the year end;
- During the year neither the interest paid by the buyer in terms of section 16 of the Development Act, 2006, nor any amount of the payment was made to the MSME supplier beyond the appointed day;
- Since there is no amount payable to MSME supplier therefore no amount of interest was due and payable for the period of delay in making the payment and any interest thereon specified under the Micro, Small and Medium Enterprises Development Act, 2006;
- As specified in above clauses there is no amount of interest accrued at the end of the year;
- Further there is no amount of interest remaining due and payable in the succeeding years for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium enterprises Development Act, 2006.



22. TAXES ON INCOME

Income Tax of Rs. 2,35,981/- has been provided for current year tax. Pursuant to Accounting Standard 22 relating to "Accounting for taxes on income the company has recognised Net Deferred Tax Credit to the extent of Rs. 7707.22 (Previous Year - (21,839.24) of the year. The same has been recognised since the management is virtually certain of realising the same in due course within the statutory time frame of allowability of the unabsorbed losses under the Income Tax Act, 1961.

The Deferred Tax Working is as under:

Deferred Tax Liability

Net Deferred Tax as on 01-04-2020	(A)		2,21,511.33
Tax Rate Difference on opening Deferred Tax Credit	(B)	55,754.40	
Excess of depreciation as per Income Tax Act over depreciation as per Co's Act.			
Depreciation as per Income Tax Act		10,18,257.73	
Less : Depreciation as per Companies Act		<u>7,66,125.73</u>	
		<u>2,52,132.00</u>	
Deferred Tax Liability as on 31-03-2021 (Tax @ 22 % and 10% Surcharge and 4% Education Cess)			
	(C)	63,461.62	
Net Current Deferred Tax Credit		<u>(7,707.22)</u>	
Net Deferred Tax Liabilities (A+B+C)			<u>2,29,218.56</u>

23. DISCLOSURE OF RELATED PARTY TRANSACTION WITH RELATED PARTY(IES) DURING THE YEAR ARE AS MENTIONED BELOW:

Sr. No.	Name of Party	Relationship	Nature of transaction	Amount	Amount o/s at year end
1	Ashok S. Chothani	Director	Remuneration	4,20,000.00	1,44,133.00
2	Sunil S. Chothani	Director	Remuneration	4,20,000.00	4,62,713.00
3	Neeraj A. Chothani	Director	Remuneration	4,20,000.00	1,45,812.00

24. RELATED PARTY TRANSACTIONS

Related parties and transaction as specified in the Accounting Standard-18 on "Related party Disclosures" issued by ICAI has been identified and given below :

- 1) Enterprises where Control Exists : NIL
- 2) Other Related parties with whom Company had transaction :
 - (a) Key Management personnel and their relatives :

Ashok Shivji Chothani (Chairman and Director)
 Neeraj Chothani (Managing Director and C.F.O.)
 Sunil Shivji Chothani (Whole time Director)
 Monil Ashok Chothani (Additional Director)

Relatives : NIL

(b) Enterprises over which Key Management personnel and their relatives are able to exercise Significant Influence :

Bonne Volonte Communication LLP
 Getalong Enterprise Limited

Nature of Transaction	Wholly Owned Subsidiary	Enterprises over which Key Management Personnel and their relatives are able to exercise significant influence	Key Management Personnel and Their relatives
Income :			
Rent	Nil	Nil	Nil
Service Charges	Nil	Nil	Nil
Sales	Nil	Nil	Nil
Commission	Nil	Nil	Nil
Expenses :			
Interest	Nil	Nil	Nil
Salary	Nil	Nil	Nil
Motar Car Hiring Charges	Nil	Nil	Nil
Purchases	Nil	Nil	Nil
Rent	Nil	Nil	Nil
Remuneration	Nil	Nil	1260000.00
Balance at the end of the year :			
Debtors	Nil	Nil	Nil
Creditors	Nil	Nil	862334.00
Loan Taken	Nil	1000000.00	Nil
Loan Given	Nil	1000000.00	Nil
Invesments	Nil	Nil	Nil



CHOTHANI FOODS LIMITED
(Formerly known as "Ashok Masala Mart Limited")

Schedules annexed to and forming part of the Balance Sheet as on 31st March, 2021.

NOTE '2'

SHARE CAPITAL

AUTHORISED CAPITAL

5500000 SHARES OF Rs. 10/- EACH	55000000.00	55000000.00
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ISSUED, SUBSCRIBED & PAID UP CAPITAL

5160000 EQUITY SHARES OF Rs. 10/- EACH

FULLY PAID UP	51600000.00	51600000.00
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Note-1 - F.V. per shares has been consolidated from Rs.1/- to Rs.10/- per share vide resolution dated 12th December, 2016.

Note-2 - The Company has only one class of shares referred to as Equity Shares having F.V. of Rs.10/- per share.

Note-3 - Each holder of Equity share is entitled to one vote per share.

RECONCILIATION OF SHARE CAPITAL

<u>EQUITY SHARES OF RS.10/- EACH WITH VOTING RIGHTS</u>	<u>NO. OF SHARES</u>	<u>AMOUNT (RS.)</u>	<u>NO. OF SHARES</u>	<u>AMOUNT (RS.)</u>
BALANCE AT THE BEGINNING OF THE YEAR	5160000.00	51600000.00	5160000.00	51600000.00
SHARES ISSUED DURING THE YEAR	NIL	NIL	NIL	NIL
SHARES BOUGHT BACK DURING THE YEAR	NIL	NIL	NIL	NIL
BALANCE AT THE END OF THE YEAR	5160000.00	51600000.00	5160000.00	51600000.00

SHARES HELD BY SHAREHOLDERS HOLDING MORE THAN 5 PERCENT SHARES IN THE COMPANY

<u>PARTICULARS</u>	<u>NO. OF SHARES</u>	<u>%AGE OF OF HOLDING</u>	<u>NO. OF SHARES</u>	<u>%AGE OF OF HOLDING</u>
ASHOK SHIVJI CHOTHANI	482500	9.35%	482500	9.35%
NEERAJ ASHOK CHOTHANI	150950	2.93%	150950	2.93%
SUNIL SHIVJI CHOTHANI	482500	9.35%	482500	9.35%
BONNE VOLONTE COMMUNICATION LLP	1381550	26.77%	1381550	26.77%
WESTPAC INVESTMENTS PVT. LTD.	650000	12.60%	650000	12.60%
	3147500	61.00%	3147500	61.00%

NOTE '3'

RESERVES & SURPLUS

A) PROFIT & LOSS ACCOUNT

OPENING BALANCE		5777229.20	4555797.79
ADD : PROFIT/LOSS OF THE YEAR		882702.83	1224832.40
LESS : PROVISION WRITTEN OFF		NIL	3401.00
TOTAL	(A)	6659932.03	5777229.20

B) SECURITY PREMIUM ACCOUNT

OPENING BALANCE		7547502.00	7547502.00
ADD : ADDITION DURING THE YEAR		NIL	NIL
TOTAL RESERVE & SURPLUS	(B)	7547502.00	7547502.00

		14207434.03	13324731.20
--	--	-------------	-------------



NOTE '4'

NON-CURRENT LIABILITIES

LONG - TERM BORROWINGS

UNION BANK OF INDIA - OD A/C *		4643268.12	2313609.24
HDFC BANK - OFFICE LOAN		5774094.00	5875384.00
TOTAL		10417362.12	8188993.24

Note : Secured by hypothecation of Stock and Debtors with Union Bank of India, Khand Bazar Branch.

NOTE '5'

TRADE PAYABLES

SUNDRY CREDITORS FOR PURCHASES

(AS PER SCHEDULE - 2)

		11299887.50	28440892.50
TOTAL	(i)	11299887.50	28440892.50

SUNDRY CREDITORS FOR EXPENSES

(AS PER SCHEDULE - 3)

		1938400.44	1886493.36
TOTAL	(ii)	1938400.44	1886493.36

SUNDRY CREDITORS FOR FIXED ASSETS

LIPPI SYSTEMS LTD.

		NIL	4720.00
TOTAL	(iii)	NIL	4720.00

OTHERS

WRONG CREDIT BY BANK

		NIL	58636.00
TOTAL	(iv)	NIL	58636.00
(B)	(i + ii + iii + iv)	13238287.94	30390741.86

NOTE '6'

SHORT - TERM PROVISIONS

PROVISION FOR TAXATION (A.Y. 2021-2022)

235981.00 359899.00

PROVISION FOR TAXATION (A.Y. 2020-2021)

NIL NIL

(C)	235981.00	359899.00
------------	------------------	------------------

TOTAL CURRENT LIABILITIES (A + B + C) 13474268.94 30750640.86

NOTE '7'

NON - CURRENT ASSETS

FIXED ASSETS

COST

PROVISION FOR DEPRECIATION

NATURE OF ASSETS	Depreciation	Opening Balance	Additions (Delitions)	Total	Opening Balance	During the year	Total	WDV as on 31-03-2021
							-	
TANGIBLE ASSETS								
Air Compressor	0.1810	14112.81	NIL	14112.81	2554.42	NIL	2554.42	11558.39
Auger Filler Mach	0.1810	278552.28	NIL	278552.28	50417.96	NIL	50417.96	228134.32
Bag Sealing Mach.	0.1810	9305.55	NIL	9305.55	1684.30	NIL	1684.30	7621.25
Band Sealer	0.1810	16368.77	NIL	16368.77	2962.75	NIL	2962.75	13406.02
Camera & Led	0.1810	14998.69	NIL	14998.69	2714.76	NIL	2714.76	12283.93
Computer/Printer	0.4000	27599.28	NIL	27599.28	11039.71	NIL	11039.71	16559.57
Cylinder Dye	0.1810	379394.36	31750.00	411144.36	68670.38	1322.53	69992.91	341151.45
Furniture/Fixtures	0.2589	181189.17	NIL	181189.17	46909.88	NIL	46909.88	134279.29
Office Premises	0.0487	8476310.55	NIL	8476310.55	412796.32	NIL	412796.32	8063514.23
Weighing Scale	0.1810	21557.44	NIL	21557.44	3901.90	NIL	3901.90	17655.54
TOTAL		9419388.91	31750.00	9451138.91	603652.38	1322.53	604974.91	8846164.00



CHOTHANI FOODS LIMITED
(Formerly known as "Ashok Masala Mart Limited")

<u>INTANGIBLE ASSETS</u>								
Goodwill	0.25	642031.50	NIL	642031.50	160507.88	NIL	160507.88	481523.63
Trade Mark	0.25	2571.75	NIL	2571.75	642.94	NIL	642.94	1928.81
TOTAL		644603.25	NIL	644603.25	161150.81	NIL	161150.81	483452.44
(A)		10063992.16	31750.00	10095742.16	764803.20	1322.53	766125.73	9329616.44

NOTE '8'

CURRENT INVESTMENTS

GOLD BAR - 106.410 GMS		300928.00	300928.00
GOLD BAR - 30.000 GMS		89100.00	89100.00
SHARES OF SARASWAT CO-OP. BANK LTD. - (935 Shares @ Rs.10/- each)		9350.00	9350.00
TOTAL (B)		<u>399378.00</u>	<u>399378.00</u>
TOTAL NON-CURRENT INVESTMENTS (A + B)		<u>9728994.44</u>	<u>10463370.17</u>

NOTE '9'

CURRENT ASSETS

INVENTORIES

INVENTORY OF GOODS (As taken, valued and certified by the Management)		34196949.26	35060922.45
TOTAL (A)		<u>34196949.26</u>	<u>35060922.45</u>

NOTE '10'

TRADE RECEIVABLES (UNSECURED)

MORE THAN SIX MONTHS		24306694.25	NIL
OTHERS - (AS PER SCHEDULE - 1)		13703063.98	44959021.25
TOTAL (B)		<u>38009758.23</u>	<u>44959021.25</u>

NOTE '11'

CASH AND CASH EQUIVALENTS

(a) CASH IN HAND (As Certified by the Management)		4752566.00	4376779.00
(b) <u>BANK BALANCE</u>			
HDFC BANK		61538.75	61538.75
THE SARASWAT CO-OP. BK. LTD.		960.41	601.43
UNION BANK OF INDIA		11195.97	224105.55
(c) <u>FIXED DEPOSIT - Maturity 12 months</u>			
F.D. RECEIPT NO. 071678 WITH UNION BANK OF INDIA		1379675.67	1304862.00
TOTAL (C)		<u>6205936.80</u>	<u>5967886.73</u>

NOTE '12'

SHORT - TERM LOANS AND ADVANCES

BALANCE WITH GOVERNMENT AUTHORITIES (UNSECURED, CONSIDERED GOOD)

M VAT DEPOSIT		NIL	25000.00
ADVANCE TAX FOR A.Y. 2019-2020		NIL	NIL
ADVANCE TAX FOR A.Y. 2020-2021		NIL	200000.00
T.D.S. A.Y. 2019-2020		NIL	NIL
T.D.S. A.Y. 2020-2021		28462.00	59629.00
<u>VAT RECEIVABLE</u>			
F.Y. 2015-16		NIL	6132.17
F.Y. 2016-17		NIL	13323.38
VAT C/F - 30.06.2017		NIL	2819.98
G.S.T. C/F		395588.71	240780.10



OTHERS (UNSECURED, CONSIDERED GOOD)

VIJAY M. SOMAIYA - STAFF	550000.00	500000.00
CHANDRASHEKHAR - STAFF	6000.00	NIL
KALYANI MURANJAN - STAFF	20000.00	NIL
UPADYAYA SURESH KUMAR	20000.00	NIL
ALACRITY SECURITY LTD.	NIL	350000.00
ARYAMAN FINANCIAL SERVICES LTD.	100000.00	100000.00
VIRCHAND L. GADA - DEPOSIT	107000.00	107000.00
GITA MUKESH SUMARIA - FOR BHIVANDI FACTORY	NIL	NIL
B.S.E. DEPOSIT	201000.00	201000.00
M. TARUN & CO.	NIL	5000000.00
TAX PAYMENTS	156825.00	156825.00
	(D)	
	<u>1584875.71</u>	<u>6962509.63</u>
TOTAL CURRENT ASSETS (A + B + C + D)	<u>79997520.00</u>	<u>92950340.06</u>

NOTE '13'

OTHER CURRENT ASSETS

PRELIMINARY EXPENSES

OPENING BALANCE	672166.40	1142563.60
INCURRED DURING THE YEAR	NIL	NIL
LESS : AMOUNT WRITTEN OFF	470397.20	470397.20
	<u>201769.20</u>	<u>672166.40</u>
TOTAL		

Schedules annexed to and forming part of the Profit & Loss Account for the year ended on 31st March, 2021.

NOTE '14'

OTHER INCOME

INTEREST ON F.D.	80879.67	83660.00
INTEREST RECD. ON LOANS AND ADVANCES	298603.00	512630.00
MISC. INCOME	58636.00	NIL
	<u>438118.67</u>	<u>596290.00</u>
TOTAL		

NOTE '15'

ACCRETION TO STOCKS OF FINISHED GOODS & STOCK IN PROGRESS

CLOSING STOCK	34196949.26	35060922.45
LESS: OPENING STOCK	35060922.45	33006645.86
	<u>(8,63,973.19)</u>	<u>2054276.59</u>
TOTAL		

NOTE '16'

ADMINISTRATIVE AND OTHER EXPENSES

ADVERTISEMENT EXPENSES	NIL	17069.20
AUDIT & PROF. FEES	35000.00	35000.00
A.P.M.C. CHARGES	20342.15	18237.39
BANK CHARGES	326859.97	241315.52
CLAIM	81137.00	20573.00
COMMISSION PAID	32000.00	9000.00
CONVEYANCE CHARGES	218134.00	45675.00
DIRECTORS' REMUNERATION	1260000.00	1260000.00
DISCOUNT	23993.45	122620.83
DONATION	1950.00	1300.00
DR/CR BAL WRITTEN OFF	183380.00	285305.72
ELECTRICITY CHARGES	38800.00	38331.00
GENERAL EXPENSES	14012.00	117396.11
GRINDING CHARGES TO LABOURS	119621.00	365262.00



CHOTHANI FOODS LIMITED
(Formerly known as "Ashok Masala Mart Limited")

HAMALI CHARGES	3580.00	NIL
INTERNET CHARGES	15260.00	NIL
INSURANCE CHARGES	47416.00	36579.00
LEGAL FEES	NIL	5000.00
LOADING/UNLOADING	8625.00	1555.29
OFFICE EXPENSES	57232.00	7993.00
PACKING CHARGES	440785.65	784659.30
PENALTY CHARGES	NIL	250.00
POSTAGE & COURIER	6743.70	10078.40
PRINTING & STATIONERY EXPS.	49157.00	119727.00
PROFESSIONAL FEES	407250.00	238000.00
PROPERTY TAX	NIL	87066.00
REGISTRATION CHARGES	NIL	14000.00
RENT PAID	365483.50	362793.00
REPAIRS & MAINTENANCE	37700.00	NIL
ROC FEES	3300.00	8150.00
ROUND OFF	60.60	(411.18)
SOCIETY MAINTENANCE	97985.00	97925.00
TELEPHONE & MOBILE EXPENSES	29688.00	32144.00
TRANSPORTATION EXPS.	551333.00	1013391.00
TRAVELLING EXPENSES	171800.00	421965.00
VAT PAID	47275.53	NIL
TOTAL	<u>4695904.55</u>	<u>5817950.58</u>

NOTE '17'

EMPLOYEE BENEFIT EXPENSES

SALARY	1391400.00	1622208.00
STAFF WELFARE	6033.00	19648.00
WAGES PAID	362720.00	582626.00
TOTAL	<u>1760153.00</u>	<u>2224482.00</u>

**Proxy Form**

(Pursuant to Section 105 (6) of the Companies Act, 2013 and rule 19 (3) of the Companies (Management and Administration) Rules, 2014-Form No. MGT-11)

CHOTHANI FOODS LIMITED**CIN: L15122MH2014PLC252200**

Regd. Office: OFFICE NO. 408, B WING, DHAMJI SHAMJI CORPORATE SQUARE, LAXMI NAGAR, GHATKOPAR EAST, MUMBAI- 400075 **Phone:** +91-22-25006871 / 25006871 **E-mail :** ashokmasalamart@gmail.com; **Website:** www.chothanifoodslimited.com

Name of the Member(s):	
Registered Address:	
Email ID:	
Folio No./ Client ID:	
DP ID:	

I/We, being the member(s) of _____ shares of the above named Company. Hereby appoint:

- Name :
Address :
Email ID:
Signature : _____ or
- Name :
Address :
Email ID:
Signature : _____ or
- Name :
Address :
Email ID:
Signature : _____ .

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 08th Annual General Meeting of the company, to be held on the Thursday, 30th September, 2021 at 10:00 a.m. at OFFICE NO. 408, B WING, DHAMJI SHAMJI CORPORATE SQUARE, LAXMI NAGAR, GHATKOPAR EAST, MUMBAI - 400075 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolution	Vote	
		For	Against
1	Adoption of Balance sheet as at 31 st March, 2021 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon (<i>Ordinary Resolution</i>)		
2	Appointment of Mr. Monil Chothani as a Director liable to retire by rotation. (Ordinary Resolution)		
3	To appoint M/s. Urvesh Tanna & Company, as Statutory Auditors of the Company. (Ordinary Resolution)		
4	To appoint Mr. Nikunj Vasantlal Chheda (DIN: 08033201) as an Independent Director (Non-Executive) of the Company. (Special Resolution)		

.....
Signature of the Member

.....
Signature of Proxy Holder(s)

Please affix Re. 1/- Revenue Stamp and Sign

Note:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- A proxy need not be a member of the Company.



CHOTHANI FOODS LIMITED

CIN: L15122MH2014PLC252200

Regd. Office: OFFICE NO. 408, B WING, DHAMJI SHAMJI CORPORATE SQUARE, LAXMI NAGAR, GHATKOPAR EAST, MUMBAI-400075 **Phone:** +91-22-25006871 / 25006872

E-mail: ashokmasalamart@gmail.com; **Website:** www.chothanifoodslimited

ATTENDANCE SLIP

(To be presented at the entrance)

08th Annual General Meeting on Thursday, 30th September, 2021

Thursday, 30th September, 2021 at 10:00 a.m. at the Office No. 408, B Wing, Dhamji Shamji Corporate Square, Laxmi Nagar, Ghatkopar East, Mumbai - 400 075.

Folio No. _____ DP ID: _____ Client ID No. _____

Name of the Member: _____ Signature: _____

Name of the Proxy holder: _____ Signature : _____

I/We hereby record my/our presence at the **08thAnnual General Meeting** of the Company being held on Thursday, 30th September, 2021 at 10:00 a.m. at OFFICE NO. 408, B WING, DHAMJI SHAMJI CORPORATE SQUARE, LAXMI NAGAR, GHATKOPAR EAST, MUMBAI- 400075.

Note: Members are requested to bring their copies of Annual Report to the Meeting.





