



CHOTHANI FOODS LIMITED
ANNUAL REPORT
2023-24



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CORPORATE INFORMATION

Board of Directors and Key Managerial Personnel:

| | |
|---|---|
| NEERAJ ASHOK CHOTHANI (DIN:06732169) | Managing Director and CFO |
| ASHOK SHIVJI CHOTHANI (DIN:06732163) | Chairman and Executive Director |
| SUNIL CHOTHANI (DIN:06732173) | Whole time Director |
| MONIL ASHOK CHOTHANI (DIN:07978664) | Non- Executive Director |
| MANSI DAVE (DIN:07663806) | Independent Non- Executive Director |
| RAVIPRAKASH NARAYAN VYAS (DIN:07893486) | Independent Non- Executive Director |
| KHUSHBOO NIKHIL DESAI | Company Secretary and Compliance Officer till 30 th July, 2024 |
| KRUTIKA MANOJ BHANUSHALI | Company Secretary and Compliance Officer w.e.f. 02 nd September, 2024 |

| | |
|---|----------|
| 1. Audit Committee: | |
| Mr. Raviprakash Narayan Vyas | Chairman |
| Mrs. Mansi Dave | Member |
| Mr. Neeraj Ashok Chothani | Member |
| | |
| 2. Nomination & Remuneration Committee | |
| Mr. Raviprakash Narayan Vyas | Chairman |
| Mrs. Mansi Dave | Member |
| Mr. Monil Ashok Chothani | Member |
| | |
| 3. Stakeholders Relationship Committee | |
| Mr. Raviprakash Narayan Vyas | Chairman |
| Mrs. Mansi Dave | 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 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. A Y & COMPANY,
Chartered Accountants,
404, Fourth Floor, ARG Corporate Park,
Gopal Bari, Ajmer Road, Jaipur (Raj.)
Tel: + +91-8003056441;
E-mail: info@aycompany.co.in
Firm Registration No- 020829C

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

11TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 11th Annual General Meeting of the members of Chothani Foods Limited will be held on Monday, 30th September, 2024 at 11:00 a.m. at the Registered Office of the Company situated 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, 2024, 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. Sunil Chothani (DIN: 06732173), who retires by rotation under the applicable provisions of the Companies Act, 2013 and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

3. To approve appointment of M/s. Gupta Rustagi & Co., Chartered Accountants as the Statutory Auditors to fill casual vacancy:

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

"RESOLVED THAT pursuant to the provisions of Sections 139(8), 142 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, (including any statutory modification(s), or re-enactments thereof for the time being in force) and on the recommendation of the Audit Committee and Board of Directors of the Company, consent of the members be and is hereby accorded to approve the appointment of M/s. Gupta Rustagi & Co., Chartered Accountants, (Firms Registration No. 128701W), as Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. A Y & Company, Chartered Accountants, (Firms Registration No.020829C) for the period from 02nd September, 2024 until the conclusion of 11th Annual General Meeting of the Company, at such remuneration plus applicable taxes, and out of pocket expenses, as determined and recommended by the Audit Committee and approved by the Board of Directors of the Company."

4. To approve appointment of M/s. Gupta Rustagi & Co., Chartered Accountants as the Statutory Auditors of the Company:

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

"RESOLVED THAT pursuant to provisions of Sections 139, 142 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, (including any statutory modification(s), or re-enactments thereof for the time being in force) and on the recommendation of the Audit Committee and Board of Directors of the Company, M/s. Gupta Rustagi & Co., Chartered Accountants, (Firm Registration No. 128701W), be and are hereby appointed as Statutory Auditors of the Company to hold office for a period of five consecutive years from the conclusion of the Annual General Meeting (AGM) to be held for the financial year ending March 31, 2024 till the conclusion of the AGM of the Company to be held for the financial year ending March 31, 2029, at such remuneration plus applicable taxes and out of



pocket expenses, as may be determined and recommended by the Audit Committee and approved by the Board of Directors of the Company.

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

5. To consider and approve revision in remuneration to be paid to Mr. Neeraj Ashok Chothani (DIN: 06732169) Managing Director & CFO 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 recommendation of the Nomination & Remuneration Committee and approval of the Board, the provisions of Section 197 and Section 198 read with Schedule V, Section II of Part II of the Companies Act, 2013 and other applicable provisions, if any, (including any statutory modification or re-enactment thereof), and applicable clauses of the Articles of Association of the Company, and subject to such other approvals as may be necessary, the consent of the members of the Company be and is hereby accorded to revise remuneration including perquisites to be paid to Mr. Neeraj Ashok Chothani, Managing Director & CFO of the Company having DIN: 06732169 from Rs. 10,00,000/- to maximum amount of Rs. 15,00,000/- per annum with effect from March 9, 2025 to March 8, 2027, on such terms and conditions as may be decided by the Board.

RESOLVED FURTHER THAT in accordance with the applicable provisions of the Companies Act, 2013 and rules made thereunder all the other terms and conditions of his appointment fixed as per the earlier approvals taken from the Nomination & Remuneration Committee, Board of Directors and shareholders shall remain in full force and effect except the remuneration which is hereby revised;

RESOLVED FURTHER THAT where, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay the above remuneration including perquisites to the Director as and by way of minimum remuneration, subject to the applicable provisions of Schedule V of the Act and the approvals, if any, as may be required under law.

RESOLVED FURTHER THAT the Board may give annual increase in basic salary, various allowances and perquisites, as may be deemed appropriate, so that the payment to Mr. Neeraj Ashok Chothani in respect of the aforesaid period does not exceed the limits as specified above under provisions of Schedule V of the Act, during the period of his appointment.

RESOLVED FURTHER THAT any one of the Director of the Company be and is hereby authorized to do all such acts and such steps as may be necessary, proper or expedient to give effect to the aforesaid resolution.”

6. To consider and approve revision in remuneration to be paid to Mr. Sunil Chothani (DIN: 06732173) Whole Time Director 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 recommendation of Nomination & Remuneration Committee and approval of the Board, the provisions of Section 197 and Section 198 read with Schedule V, Section II of Part II of the Companies Act, 2013 and other applicable provisions, if any, (including any statutory modification or re-enactment thereof), and applicable clauses of the Articles of Association of the Company, and subject to such other approvals as may be necessary, the consent



of the members of the Company be and is hereby accorded to revise remuneration including perquisites to be paid to Mr. Sunil Chothani, Whole Time Director of the Company having DIN: 06732173 from Rs. 10,00,000/- to maximum amount of Rs. 15,00,000/- per annum with effect from March 9, 2025 to March 8, 2027, on such terms and conditions as may be decided by the Board.

RESOLVED FURTHER THAT in accordance with the applicable provisions of the Companies Act, 2013 and rules made thereunder all the other terms and conditions of his appointment fixed as per the earlier approvals taken from the Nomination & Remuneration Committee, Board of Directors and shareholders shall remain in full force and effect except the remuneration which is hereby revised;

RESOLVED FURTHER THAT where, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay the above remuneration including perquisites to the Director as and by way of minimum remuneration, subject to the applicable provisions of Schedule V of the Act and the approvals, if any, as may be required under law.

RESOLVED FURTHER THAT the Board may give annual increase in basic salary, various allowances and perquisites, as may be deemed appropriate, so that the payment to Mr. Sunil Chothani in respect of the aforesaid period does not exceed the limits as specified above under provisions of Schedule V of the Act, during the period of his appointment.

RESOLVED FURTHER THAT any one of the Director of the Company be and is hereby authorized to do all such acts and such steps as may be necessary, proper or expedient to give effect to the aforesaid resolution."

7. To consider and approve revision in remuneration to be paid to Mr. Ashok Chothani (DIN: 06732163) Director 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 recommendation of the Nomination and Remuneration Committee and approval of the Board, the provisions of Section 197 and Section 198 read with Schedule V, Section II of Part II of the Companies Act, 2013 and other applicable provisions, if any, (including any statutory modification or re-enactment thereof), and applicable clauses of the Articles of Association of the Company, and subject to such other approvals as may be necessary, the consent of the members of the Company be and is hereby accorded to revise remuneration to be paid Mr. Ashok Chothani, Director of the Company having DIN: 06732163 from Rs. 10,00,000/- to maximum amount of Rs. 15,00,000/- per annum with effect from February 5, 2025 to February 4, 2028 on such terms and conditions as may be decided by the Board.

RESOLVED FURTHER THAT in accordance with the applicable provisions of the Companies Act, 2013 and rules made thereunder all the other terms and conditions of his appointment fixed as per the earlier Board resolutions shall remain in full force and effect except the remuneration which is hereby revised;

RESOLVED FURTHER THAT where, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay the above remuneration including perquisites to the Director as and by way of minimum remuneration, subject to the applicable provisions of Schedule V of the Act and the approvals, if any, as may be required under law.

RESOLVED FURTHER THAT the Board may give annual increase in basic salary, various allowances and perquisites, as may be deemed appropriate, so that the payment to Mr. Ashok



Chothani in respect of the aforesaid period does not exceed the limits as specified above under provisions of Schedule V of the Act, during the period of his appointment.

RESOLVED FURTHER THAT any one of the Director of the Company be and is hereby authorized to do all such acts and such steps as may be necessary, proper or expedient to give effect to the aforesaid resolution.”

Registered Office:

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

Date : 02/09/2024

Place: Mumbai

For Chothani Foods Limited

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



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. Proxy form, in order to be effective, must be deposited at the Corporate Office of the Company, not less than 48 hours before the commencement of the Annual General Meeting.

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) 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.
- (c) 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.
- (d) This notice of 11th Annual General Meeting of the Company and Annual Report 2023-24 is being sent to the shareholders whose name appears in the Register of Members as on August 30, 2024.
- (e) The notice of 11th Annual General Meeting of the Company and Annual Report 2023-24, 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 The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com). Interested Members can write to the company at ashokmasalamart@gmail.com for the hard copy of the Annual Report for the financial year 2023-24.
- (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 cut off date for the purpose of determining the eligibility of the Members to vote at the 11th Annual General Meeting of the Company is September 27, 2024. A person who is not a member as on the Cut-off Date should treat this Notice solely for information purposes only.



- (k) Members who have not registered their e-mail addresses so far are requested to register their e-mail ID with RTA of the Company / Depository Participant(s) for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.
- (l) The Shareholders are requested to notify changes of their address immediately to the Registrar & Transfer Agent **Kfin Technologies 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.
- (m) Green Initiative – Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.
- (n) 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.
- (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 11.00 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 Limited, to provide efficient and better service to the members.
- (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. Sharatkumar Shetty & Associates, Practicing Company Secretaries, has been appointed as Scrutinizer 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.
- (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.



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- (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 BSE immediately after the declaration of result by the Chairman or a person authorized by him in writing.

Registered Office:

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

Date : 02/09/2024

Place: Mumbai

For Chothani Foods Limited

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



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

Item No. 3:

The Members of the Company at its 09th AGM held on Saturday, 30th September, 2022 had appointed M/s. A Y & Company, Chartered Accountants, (Firm Registration No: 020829C) as the Statutory Auditors of the Company to hold office from the conclusion of 09th AGM till the conclusion of 14th AGM of the Company.

M/s. A Y & Company, Chartered Accountants, (Firm Registration No: 020829C) vide their letter dated 30th August, 2024 have resigned from the position of Statutory Auditors of the Company, resulting into a casual vacancy in the office of Statutory Auditors of the Company as envisaged by section 139(8) of the Companies Act, 2013.

The Board of Directors at its meeting held on 02nd September, 2024, as per the recommendation of the Audit Committee, and pursuant to the provisions of Section 139(8) of the Companies Act, 2013, have appointed M/s. Gupta Rustagi & Co., Chartered Accountants, (Firms Registration No. 128701W), to hold office as the Statutory Auditors of the Company for the period from 02nd September, 2024 until the conclusion of 11th Annual General Meeting, at such remuneration plus applicable taxes, and out of pocket expenses, as may be determined and recommended by the Audit Committee in consultation with the Auditors and duly approved by the Board of the Company.

M/s. Gupta Rustagi & Co., is a Professional Chartered accountant Firm providing a wide spectrum of services under statutory audit, internal /concurrent audit, taxation, corporate finance, corporate laws advisory services providing consulting and advisory services to Start-ups, Listed and Unlisted Companies in India, across sectors. It has a team with over 40+years of combined work experience.

The Company has received consent letter and eligibility certificate from M/s. Gupta Rustagi & Co., Chartered Accountants, (Firms Registration No. 128701W), to act as Statutory Auditors of the Company in place of M/s. A Y & Company, Chartered Accountants, (Firm Registration No: 020829C), along with a confirmation that, their appointment, if made, would be within the limits prescribed under the Companies Act, 2013.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out in Item No. 3 of the Notice for appointment to the Statutory Auditors.

None of the Directors, Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the aforesaid Ordinary Resolution.

The Board recommends an Ordinary Resolution set out in the Notice for approval by the Members.

Item No. 4

The Board of Directors at its meeting held on 02nd September, 2024, as per the recommendation of the Audit Committee and pursuant to Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions if any, have approved the appointment of M/s. Gupta Rustagi & Co., Chartered Accountants, (Firms Registration No. 128701W), as Statutory Auditors of the Company to hold office for a period of five years, from the conclusion of Annual General Meeting (AGM) to be held for the financial year ending March 31, 2024 till the conclusion of the AGM of the Company to be held for the financial year ending March 31, 2029 at such remuneration plus applicable taxes, and out of pocket expenses, as may be



determined and recommended by the Audit Committee in consultation with the Auditors and duly approved by the Board of the Company.

M/s. Gupta Rustagi & Co., is a Professional Chartered accountant Firm providing a wide spectrum of services under statutory audit, internal /concurrent audit, taxation, corporate finance, corporate laws advisory services providing consulting and advisory services to Start-ups, Listed and Unlisted Companies in India, across sectors. It has a team with over 40+years of combined work experience.

The Company has received consent letter and eligibility certificate from M/s. Gupta Rustagi & Co, Chartered Accountants, (Firms Registration No. 128701W) to act as Statutory Auditors of the Company along with a confirmation that, their appointment, if made, would be within the limits prescribed under the Companies Act, 2013.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out in Item No. 4 of the Notice for appointment and payment of remuneration to the Statutory Auditors.

None of the Directors, Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the aforesaid Ordinary Resolution.

The Board recommends an Ordinary Resolution set out in the Notice for approval by the Members.

Item No. 5

The Board of Directors at its meeting held on 02nd September, 2024 upon recommendation received from the Nomination & Remuneration Committee has decided to revise remuneration to be paid to Mr. Neeraj Ashok Chothani (DIN: 06732169) Managing Director & CFO of the Company pursuant to the provisions of Section 197 and Section 198 read with Schedule V, Section II of Part II of the Companies Act, 2013 and other applicable provisions, if any, (including any statutory modification or re-enactment thereof), and applicable clauses of the Articles of Association of the Company, for a period from March 9, 2025 to March 8, 2027, in which inadequate profits are estimated by the Company.

Mr. Neeraj Ashok Chothani (DIN: 06732169) Managing Director & CFO is involved in day-to-day affairs of the Company. He provides leadership and strategic inputs to the Company. It is deemed expedient to increase the remuneration to seek his continuous association as the Managing Director of the Company, so that the Company can benefit from his extensive experience.

This remuneration will be paid in accordance with the directions given by the Nomination & Remuneration Committee and the Board of Directors and subject to any other applicable requirements under the Act.

No sitting fees will be paid to Mr. Neeraj Ashok Chothani for attending meeting of the Board of Directors or any committee thereof.

Total Remuneration of Mr. Neeraj Ashok Chothani in any financial year shall not exceed overall limit as mentioned in the resolution of this Notice which is in accordance with the provisions of the Section 197 read with Schedule V of the Companies Act, 2013 and rules.

Accordingly, the Board recommends the resolution as set forth in Notice in Item No. 5 relating to payment of Remuneration by way of Special Resolution.

Except Mr. Neeraj Ashok Chothani and Mr. Sunil Chothani, Mr. Ashok Shivji Chothani and Mr. Monil Ashok Chothani, Directors and being relatives of Mr. Neeraj Ashok Chothani, none of the other Directors and/or Key Managerial Personnel or their relatives, are in any way concerned or interested financially or otherwise in aforesaid resolution. The other relatives of Mr. Neeraj Ashok Chothani may be deemed to be interested in this resolution to the extent of their shareholding interest, if any, in the Company.



Statement required pursuant to the provisions of Schedule V of the Companies Act, 2013 is given below:

I. General Information

- 1) **Nature of Industry:** The Company is engaged in the field of manufacturing masala and spices in all over India.
- 2) **Date or expected date of Commencement of commercial Production:** Not Applicable (The Company is an existing company)
- 3) **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** Not Applicable
- 4) **Financial performance based on given indicators (in lakhs)**

| PARTICULARS | AMOUNT IS Rs. (In Lakhs) |
|-----------------------|--------------------------|
| Total Income | 801.56 |
| Total Expense | 780.23 |
| Net Profit before Tax | 21.33 |
| Tax Expense | 7.82 |
| Net Profit after Tax | 13.51 |

- 5) **Foreign investments or Collaborators, if any:** Not Applicable

II. Information about the Directors to whom remuneration is to be paid:

| Sr. No | Particulars | Mr. Neeraj Ashok Chothani |
|--------|--|---|
| 1) | Background details | Mr. Neeraj Ashok Chothani is associated with the Company since its inception which is engaged in the field of manufacturing masala and spices in all over India. |
| 2) | Past Remuneration | Rs.4,20,000/- for the FY 2023-24 |
| 3) | Recognition or Awards | None |
| 4) | Job Profile and his suitability | Mr. Neeraj Ashok Chothani, Managing Director is being promoter of the Company since incorporation and managing the affairs of the Company till date in conjunction with the other senior board members. His ability to foresight the market condition and long vision would lead the Company to the growth. He is having more than 14 years of experience in the Business Administration & Finance. |



| | | |
|----|--|---|
| 5) | Remuneration Proposed | Upto Rs. 15,00,000/- per annum with effect from March 9, 2025 to March 8, 2027 |
| 6) | Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person. | The remuneration payable to the Directors has been considered after looking into the efforts involved by each one of them in running the business of the Company and remuneration being drawn by similar positions in same Industry. |
| 7) | Pecuniary relationship directly or, indirectly with the Company, or relationship with the managerial personnel, if any. | Mr. Neeraj Ashok Chothani has no pecuniary relationship directly or indirectly with the Company except to the extent of his remuneration and shareholding in the Company. Mr. Neeraj Ashok Chothani, is a Managing Director & CFO of the Company and relative of other Directors of the Company. |

III. Other Information:

Reasons of loss or inadequate profits, Steps taken or proposed to be taken for improvement and expected increase in productivity and profits in measurable terms:

During the last three financial years, the Company is in profit and further the Company is also making necessary efforts to improve its performance and productivity. The Company has also reported profit in the F.Y. 2023-24.

IV. Disclosures:

The remuneration of Mr. Neeraj Ashok Chothani is fully described in the Explanatory Statement as stated above and further, the requisite details of remuneration etc. of the Director is included in the Director's Report, forming part of the Annual Report of the Company for the Financial Year 2023-24. Disclosures as required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India are annexed to this Notice.

Item No. 6

The Board of Directors at its meeting held on 02nd September, 2024 upon recommendation received from the Nomination & Remuneration Committee decided to revise remuneration to be paid to Mr. Sunil Chothani (DIN: 06732173), Whole Time Director of the Company pursuant to the provisions of Section 197 and Section 198 read with Schedule V, Section II of Part II of the Companies Act, 2013 and other applicable provisions, if any, (including any statutory modification or re-enactment thereof), and applicable clauses of the Articles of Association of the Company, for a period from March 9, 2025 to March 8, 2027, in which inadequate profits are estimated by the Company.

Mr. Sunil Chothani (DIN: 06732173), Whole Time Director is involved in day-to-day affairs of the Company. He provides leadership and strategic inputs to the Company. It is deemed expedient to increase his remuneration to seek his continuous association as the Whole Time Director of the Company, so that the Company can benefit from his extensive experience.

This remuneration will be paid in accordance with the directions given by the Nomination & Remuneration Committee and the Board of Directors and subject to any other applicable requirements under the Act.



No sitting fees will be paid to Mr. Sunil Chothani for attending meeting of the Board of Directors or any committee thereof.

Total Remuneration of Mr. Sunil Chothani in any financial year shall not exceed overall limit as mentioned in the resolution of this Notice which is in accordance with the provisions of the Section 197 read with Schedule V of the Companies Act, 2013 and rules.

Accordingly, the Board recommends the resolution as set forth in Notice in Item No. 6 relating to payment of Remuneration by way of Special Resolution.

Except Mr. Sunil Chothani and Mr. Neeraj Ashok Chothani, Ashok Shivji Chothani and Mr. Monil Ashok Chothani, Directors and being relatives of Mr. Sunil Chothani, none of the other Directors and/or Key Managerial Personnel or their relatives, are in any way concerned or interested financially or otherwise in aforesaid resolution. The other relatives of Mr. Sunil Chothani may be deemed to be interested in this resolution to the extent of their shareholding interest, if any, in the Company.

Statement required pursuant to the provisions of Schedule V of the Companies Act, 2013 is given below:

I. General Information

- 1) **Nature of Industry:** The Company is engaged in the field of manufacturing masala and spices in all over India.
- 2) **Date or expected date of Commencement of commercial Production:** Not Applicable (The Company is an existing company)
- 3) **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** Not Applicable
- 4) **Financial performance based on given indicators (in lakhs)**

| PARTICULARS | AMOUNT IS Rs. (In Lakhs) |
|-----------------------|---------------------------------|
| Total Income | 801.56 |
| Total Expense | 780.23 |
| Net Profit before Tax | 21.33 |
| Tax Expense | 7.82 |
| Net Profit after Tax | 13.51 |

- 5) **Foreign investments or Collaborators, if any:** Not Applicable



II. Information about the Directors to whom remuneration is to be paid:

| Sr. No | Particulars | Mr. Sunil Chothani |
|--------|--|--|
| 1) | Background details | Mr. Sunil Chothani is associated with the Company since its inception which is engaged in the field of manufacturing masala and spices in all over India. |
| 2) | Past Remuneration | Rs. 4,20,000/- for the FY 2023-24 |
| 3) | Recognition or Awards | None |
| 4) | Job Profile and his suitability | He is Higher Secondary passed by qualification. He is having more than 22 years of experience in the Operations and Management. He guides us in overall operational activities of our Company. His business acumen has yielded the required results and with his tireless support to the company, facilitated the business to grow further. He is on Board of Company since incorporation. |
| 5) | Remuneration Proposed | Upto Rs. 15,00,000/- per annum with effect from March 9, 2025 to March 8, 2027 |
| 6) | Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person. | The remuneration payable to the Directors has been considered after looking into the efforts involved by each one of them in running the business of the Company and remuneration being drawn by similar positions in same Industry. |
| 7) | Pecuniary relationship directly or, indirectly with the Company, or relationship with the managerial personnel, if any. | Mr. Sunil Chothani has no pecuniary relationship directly or indirectly with the Company except to the extent of his remuneration and shareholding in the Company. Mr. Sunil Chothani, is a Whole Time Director of the Company and relative of other Directors of the Company. |

III. Other Information:

Reasons of loss or inadequate profits, Steps taken or proposed to be taken for improvement and expected increase in productivity and profits in measurable terms:

During the last three financial years, the Company is in profit and further the Company is also making necessary efforts to improve its performance and productivity. The Company has also reported profit in the F.Y. 2023-24.

IV. Disclosures:

The remuneration of Mr. Sunil Chothani is fully described in the Explanatory Statement as stated above and further, the requisite details of remuneration etc. of the Director is included in the Director's Report, forming part of the Annual Report of the Company for the Financial Year 2023-



24. Disclosures as required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India are annexed to this Notice.

Item No. 7

The Board of Directors at its meeting held on 02nd September, 2024 upon recommendation received from the Nomination & Remuneration Committee decided to revise remuneration to be paid to Mr. Ashok Chothani (DIN: 06732163), Director of the Company pursuant to the provisions of Section 197 and Section 198 read with Schedule V, Section II of Part II of the Companies Act, 2013 and other applicable provisions, if any, (including any statutory modification or re-enactment thereof), and applicable clauses of the Articles of Association of the Company, for a period from February 5, 2025 to February 4, 2028, in which inadequate profits are estimated by the Company.

Mr. Ashok Chothani (DIN: 06732163), Director is involved in day-to-day affairs of the Company. He provides leadership and strategic inputs to the Company. It is deemed expedient to increase the remuneration to seek his continuous association as the Director of the Company, so that the Company can benefit from his extensive experience.

This remuneration will be paid in accordance with the directions given by the Nomination & Remuneration Committee and the Board of Directors and subject to any other applicable requirements under the Act.

No sitting fees will be paid to Mr. Ashok Chothani for attending meeting of the Board of Directors or any committee thereof.

Total Remuneration of Mr. Ashok Chothani in any financial year shall not exceed overall limit as mentioned in the resolution of this Notice which is in accordance with the provisions of the Section 197 read with Schedule V of the Companies Act, 2013 and rules.

Accordingly, the Board recommends the resolution as set forth in Notice in Item No. 7 relating to payment of Remuneration by way of Special Resolution.

Except Mr. Ashok Chothani and Mr. Neeraj Ashok Chothani, Mr. Sunil Chothani and Mr. Monil Ashok Chothani, Directors and being relatives of Mr. Ashok Chothani, none of the other Directors and/or Key Managerial Personnel or their relatives, are in any way concerned or interested financially or otherwise in aforesaid resolution. The other relatives of Mr. Ashok Chothani may be deemed to be interested in this resolution to the extent of their shareholding interest, if any, in the Company.

Statement required pursuant to the provisions of Schedule V of the Companies Act, 2013 is given below:

I. General Information

- 1) Nature of Industry:** The Company is engaged in the field of manufacturing masala and spices in all over India.
- 2) Date or expected date of Commencement of commercial Production:** Not Applicable (The Company is an existing company)
- 3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** Not Applicable



4) Financial performance based on given indicators (in lakhs)

| PARTICULARS | AMOUNT IS Rs. (In Lakhs) |
|-----------------------|--------------------------|
| Total Income | 801.56 |
| Total Expense | 780.23 |
| Net Profit before Tax | 21.33 |
| Tax Expense | 7.82 |
| Net Profit after Tax | 13.51 |

5) Foreign investments or Collaborators, if any: Not Applicable

II. Information about the Directors to whom remuneration is to be paid:

| Sr. No | Particulars | Mr. Ashok Chothani |
|--------|--|--|
| 1) | Background details | Mr. Ashok Chothani is associated with the Company since its inception which is engaged in the field of manufacturing masala and spices in all over India. |
| 2) | Past Remuneration | Rs.4,20,000/- for the FY 2023-24 |
| 3) | Recognition or Awards | None |
| 4) | Job Profile and his suitability | He is Higher Secondary passed by qualification. He is having more than 37 years of experience in business operations and in the spices industry. |
| 5) | Remuneration Proposed | Upto Rs. 15,00,000/- per annum with effect from February 5, 2025 to February 4, 2028 |
| 6) | Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person. | The remuneration payable to the Directors has been considered after looking into the efforts involved by each one of them in running the business of the Company and remuneration being drawn by similar positions in same Industry. |
| 7) | Pecuniary relationship directly or, indirectly with the Company, or | Mr. Ashok Chothani has no pecuniary relationship directly or indirectly with the Company except to the extent of his remuneration and shareholding in the Company. |



| | | |
|--|---|--|
| | relationship with the managerial personnel, if any. | Mr. Ashok Chothani, is a Director of the Company and relative of other Directors of the Company. |
|--|---|--|

III. Other Information:

Reasons of loss or inadequate profits, Steps taken or proposed to be taken for improvement and expected increase in productivity and profits in measurable terms:

During the last three financial years, the Company is in profit and further the Company is also making necessary efforts to improve its performance and productivity. The Company has also reported profit in the F.Y. 2023-24.

IV. Disclosures:

The remuneration of Mr. Ashok Chothani is fully described in the Explanatory Statement as stated above and further, the requisite details of remuneration etc. of the Director is included in the Director's Report, forming part of the Annual Report of the Company for the Financial Year 2023-24. Disclosures as required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India are annexed to this Notice.

Particulars of the Directors seeking appointment/ re-appointment / Variation/ Revision in terms of remuneration at the ensuing Annual General Meeting pursuant to the regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and applicable provisions of Secretarial Standard - 2

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 Directors seeking to be appointed / variation/ revision in terms of remuneration:

| Particulars | Details |
|---|--|
| Name of the Director | Mr. Sunil Chothani |
| DIN Number | 06732173 |
| Age | 54 |
| Brief Resume | He is Higher Secondary passed by qualification. He is having more than 22 years of experience in the Operations and Management. He guides us in overall operational activities of our Company. His business acumen has yielded the required results and with his tireless support to the company, facilitated the business to grow further. He is on Board of Company since incorporation. |
| Qualifications | Higher Secondary |
| Terms and Conditions of Appointment, Last Remuneration & Remuneration sought to be paid | As provided in the explanatory statement |



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| | |
|---|---|
| Expertise in specific functional areas and Experience | Mr. Sunil Chothani, Director is having more than 22 years of experience in the Operations and Management. He guides us in overall operational activities of our Company. |
| Category | Whole time Director |
| Promoter Group | Yes |
| Directorship held in other Companies | None |
| Disclosure of relationships between directors inter-se | Mr. Sunil Chothani is brother of Mr. Ashok Chothani who is Chairman of the company. He is Uncle of Mr. Neeraj Chothani who is Managing Director & CFO and of Mr. Monil Chothani who is Non-Executive & Non-Independent director of the Company. |
| Committee positions held in other Companies | None |
| Name of the Listed Companies from which director resigned in past 3 years | None |
| No. of Equity Shares held in the Company as on 31.03.2024 | 4,82,500 Equity Shares |
| Date of first Appointment on the Board | 17/01/2014 |
| Board meetings attended during the year | 8 |
| Skills and Capabilities required (Applicable to Independent Director) | NA |
| Manner in which the proposed director meets such requirement (Applicable to Independent Director) | NA |

| Particulars | Details |
|---|--|
| Name of the Director | Mr. Neeraj Ashok Chothani |
| DIN Number | 06732169 |
| Age | 36 |
| Brief Resume | Mr. Neeraj Ashok Chothani holds the degree in Master of Commerce and also holds the NISM Certification. He is having more than 12 years of experience in the Business Administration & Finance. |
| Qualifications | B.Com |
| Terms and Conditions of Appointment, Last Remuneration & Remuneration sought to be paid | As provided in the explanatory statement |
| Expertise in specific functional areas and Experience | Mr. Neeraj Ashok Chothani, Managing Director is being promoter of the Company since incorporation and managing the affairs of the Company till date in conjunction with the other senior board members. His ability to foresight the market condition and long |



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|---|---|
| | vision would lead the Company to the growth. He is having more than 14 years of experience in the Business Administration & Finance. |
| Category | Managing Director & CFO |
| Promoter Group | Yes |
| Directorship held in other Companies | None |
| Disclosure of relationships between directors inter-se | Mr. Neeraj Chothani is Son of Mr. Ashok Chothani who is Chairman of the company. He is Brother of Mr. Monil Chothani who is nonexecutive non-independent director of the Company and He is also Nephew of Mr. Sunil Chothani who is Whole-time director of the Company. |
| Committee positions held in other Companies | None |
| Name of the Listed Companies from which director resigned in past 3 years | None |
| No. of Equity Shares held in the Company as on 31.03.2024 | 6,50,950 Equity Shares |
| Date of first Appointment on the Board | 17/01/2014 |
| Board meetings attended during the year | 8 |
| Skills and Capabilities required (Applicable to Independent Director) | NA |
| Manner in which the proposed director meets such requirement (Applicable to Independent Director) | NA |

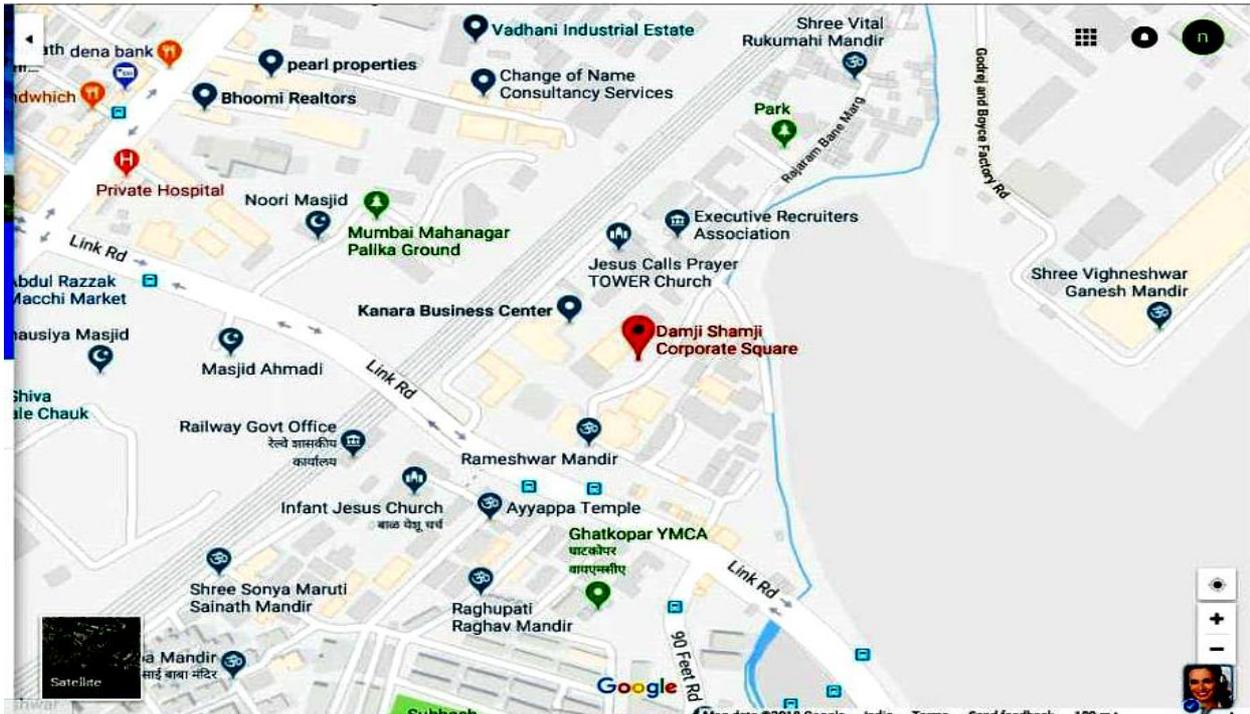
| Particulars | Details |
|---|---|
| Name of the Director | Mr. Ashok Shivji Chothani |
| DIN Number | 06732163 |
| Age | 63 |
| Brief Resume | He is Higher Secondary passed by qualification. He is having more than 37 years of experience in operations and spices industry. |
| Qualifications | Higher Secondary |
| Terms and Conditions of Appointment, Last Remuneration & Remuneration sought to be paid | As provided in the explanatory statement |
| Expertise in specific functional areas and Experience | Mr. Ashok Shivji Chothani, Director is being promoter of the Company since incorporation and managing the affairs of the Company till date in conjunction with the other senior board members. His ability to |



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| | foresight the market condition and long vision would lead the Company to the growth. He is having more than 37 years of experience in operations and spices industry. |
| Category | Executive Director |
| Promoter Group | Yes |
| Directorship held in other Companies | None |
| Disclosure of relationships between directors inter-se | Mr. Ashok Shivji Chothani is the Father of Mr. Neeraj Ashok Chothani who is the Managing Director & CFO of the company and of Mr. Monil Ashok Chothani who is the Executive Director of the Company. He is Brother of Mr. Sunil Shivji Chothani who is Whole Time Director of the Company. |
| Committee positions held in other Companies | None |
| Name of the Listed Companies from which director resigned in past 3 years | None |
| No. of Equity Shares held in the Company as on 31.03.2024 | 4,82,500 Equity Shares |
| Date of first Appointment on the Board | 17/01/2014 |
| Board meetings attended during the year | 8 |
| Skills and Capabilities required (Applicable to Independent Director) | NA |
| Manner in which the proposed director meets such requirement (Applicable to Independent Director) | NA |

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 11th Annual Report together with the Audited Financial Statements for the Year ended 31st March, 2024.

FINANCIAL RESULTS

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

| Particulars | Financial Year ended | |
|---|--------------------------|--------------------------|
| | 31/03/2024 (in Lakhs) | 31/03/2023 (in Lakhs) |
| Revenue from Operations | 800.36 | 820.20 |
| Other Income | 1.20 | 0.83 |
| Total Income | 801.56 | 821.03 |
| Cost of materials consumed | - | - |
| Purchase of Stock -in Trade | 1082.31 | 756.25 |
| Changes in inventories of Finished Goods, WIP, and Stock in Trade | (412.70) | (45.98) |
| Employee Benefit Expenses | 34.22 | 29.42 |
| Finance Cost | 22.69 | 23.87 |
| Depreciation and Amortisation Expenses | 5.24 | 5.93 |
| Other Expenses | 48.48 | 33.84 |
| Total Expenses | 780.23 | 803.31 |
| Current Income Tax | 4.95 | 4.00 |
| Deferred Tax Liability | 0.42 | 0.46 |
| Tax related to earlier years | 2.45 | 0.41 |
| Extra-ordinary Items | NIL | NIL |
| Net Profit/(Loss) After Tax | 13.51 | 12.85 |
| Profit/(Loss) carried to Balance Sheet | 13.51 | 12.85 |

FINANCIAL HIGHLIGHTS



During the year, the net profit from operations of your Company is Rs. 13.51/- Lakhs as compared to Rs. 12.85/- Lakhs in last financial year.

CAPITAL STRUCTURE

The Authorized Share Capital of your Company as on 31st March, 2024, stood at **Rs. 10,50,00,000/-** (Indian Rupees Ten Crores Fifty Lakhs Only), comprising of 1,05,00,000 Equity Shares (One Crore Five Lakhs) of Rs. 10/- each.

As on 31st March, 2024, the issued, subscribed and paid up share capital of your Company stood at **Rs. 10,36,00,000** (Rupees Ten Crores Thirty Six Lakhs Only), comprising of 1,03,60,000 Equity Shares (One Crores Three Lakhs Sixty Thousand) of Rs. 10/- each.

The Company increased the authorised share capital from **Rs. 5,50,00,000** (Rupees Five Crore Fifty Lakhs Only), comprising of 55,00,000 Equity Shares (Fifty Five Lakhs) of Rs. 10/- each to **Rs. 10,50,00,000/-** (Rupees Ten Crores Fifty Lakhs Only) comprising of 1,05,00,000 (One Crore Five Lakhs) Equity Shares of Rs. 10/- each in the Extra-Ordinary General Meeting held on 22nd August, 2023.

The Company increased the issued, subscribed and paid-up share capital from 5,16,00,000 (Rupees Five Crores Sixteen Lakhs Only) comprising of 51,60,000 (Fifty One Lakhs Sixty Thousand) of Rs. 10/- each to 10,36,00,000 (Rupees Ten Crores Thirty Six Lakhs Only) comprising of 1,03,60,000 Equity Shares (One Crore Three Lakhs Sixty Thousand) of Rs. 10/- each by way of issuance of 2,00,000 Equity Shares on preferential basis and 50,00,000 Equity Shares by way of conversion of warrants on preferential basis.

The said equity shares have been listed on the SME Platform of BSE Limited and all the shares rank pari-passu with the existing equity shares in all respects.

The necessary amendments were made to the capital clause in the Memorandum of Association of the Company, to enable the increase in the Authorised Share Capital of the Company and also in the Articles of Association to enable the Company to issue warrants.

DIVIDEND

No dividend is being recommended by the Directors for the year ending on 31st March, 2024 as the Board of Directors want to plough back the profit in the business.

PREFERENTIAL ISSUE

Pursuant to the approval of the Board at its meeting held on 31st July, 2023 and approval of the members of the Company at their Extra-Ordinary General Meeting ('EGM') held on 22nd August 2023, the Company issued 50,00,000 (Fifty Lakhs) Fully Convertible Warrants ("Warrants") on preferential basis to the Promoter/Promoter Group of the Company and certain identified non-promoter persons/entity, each convertible into, or exchangeable for, at an option of the Proposed Warrant Allottee, in one or more tranches, one Equity Share of face value of Rs. 10/- each at a price (including the Warrant Subscription Price and the Warrant Exercise Price) of Rs. 15.57/- (Rupees Fifteen and Fifty Seven Paise only) ("Preferential Allotment Price") each.

Further, pursuant to approval of the Board at its meeting held on 16th February, 2024 and approval of the members of the Company at their Extra-Ordinary General Meeting ('EGM') held on 09th March, 2024, the Company issued 2,00,000 (Two Lakhs) Equity Shares on preferential basis to the certain identified non-promoter persons/entities, having face value of Rs. 10/- each at a price of Rs. 32.34/- (Rupees Thirty Two and Thirty Four Paise only) ("Preferential Allotment").



During the financial year 2023-24, the Company had allotted 50,00,000 (Fifty Lakhs) Equity shares against the fully convertible warrants pursuant to the receipt of the request from the Warrant holder of the company w.r.t conversion of their warrant into equivalent no of equity shares and 2,00,000 (Two Lakhs) Equity shares on preferential basis.

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's business during the financial year.

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

This clause is not applicable as the Company has no holding, subsidiaries, joint ventures or associate 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 and KFin Technologies 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. There were no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interests of the Company at large or which warrants the approval of the shareholders. Accordingly, no transactions were required to be reported in Form AOC-2 in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014.

Further, we draw your attention to Note No. 2.25 of the Financial Statements of the Company for details of related party transactions.



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 AND KEY MANAGERIAL PERSONNEL ALONG WITH DETAILS OF APPOINTMENT & RESIGNATION DURING THE YEAR

As on 31st March, 2024, the Board of the Company comprises of the following directors;

| Sr No | Name | DIN | Designation |
|--------------|--------------------------|------------|-------------------------|
| 1 | Neeraj Ashok Chothani | 06732169 | Managing Director & CFO |
| 2 | Sunil Chothani | 06732173 | Whole Time Director |
| 3 | Mansi Dave | 07663806 | Independent Director |
| 4 | Ashok Shivji Chothani | 06732163 | Director |
| 5 | Monil Ashok Chothani | 07978664 | Director |
| 6 | Raviprakash Narayan Vyas | 07893486 | Independent Director |

The composition of the Board is in accordance with the provisions of Section 149 of the Act. No Director holds directorship in more than twenty companies or ten public companies.

Retirement by Rotation

In accordance with the provisions of Section 152 of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Articles of Association, Mr. Sunil Chothani (DIN:06732173), Whole-time Director of the Company is liable to retire by rotation at the ensuing 11th AGM and being eligible has offered himself for re-appointment. The Board of Directors have recommended the re-appointment of Mr. Sunil Chothani. The ordinary resolution in respect of re-appointment of Mr. Sunil Chothani has been included in the Notice convening the 11th AGM of the Company. Necessary details for re-appointment as required under the Act is given in the notice of ensuing Annual General Meeting.

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 along with a declaration received pursuant to sub rule (3) of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

In the opinion of the Board, all the Independent Directors possess the integrity, expertise and experience including the proficiency required to be Independent Directors of the Company, fulfill the conditions of independence as specified in the Act and the Listing Regulations and are independent of the management and have also complied with the Code for Independent Directors as prescribed in Schedule IV of the Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The details of loans, guarantees, and investments as required by the provisions of Section 186 of the Companies Act, 2013 and the rules made thereunder form part of the Notes to the Financial Statements provided in this Annual Report.



TRANSFER TO RESERVES

Your Company has transferred current year's net profit of Rs. 13.51 Lakhs to Reserves and Surplus during the financial year under review.

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 Stakeholders Relationship Committee.

The Board reviewed the performance of the individual directors on the basis of the criteria such as the contribution in decision making, contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive suggestions and advice in meetings etc. In addition, the Chairman was also evaluated on the key aspects of his role. In a separate meeting of independent directors, performance of non-independent directors, performance of Board as whole was evaluated, taking into account the views of executive and non-executive directors

Performance evaluation of independent directors was done by the entire board, excluding the independent directors being evaluated.

MEETING OF BOARD OF DIRECTORS

A) Number of Board Meetings in the year

During the year, 08 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. | 30 th May, 2023 |
| 2. | 31 st July, 2023 |
| 3. | 4 th September, 2023 |
| 4. | 12 th September, 2023 |
| 5. | 9 th November, 2023 |
| 6. | 16 th February, 2024 |
| 7. | 6 th March, 2024 |
| 8. | 28 th March, 2024 |

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 | Attendance at the last AGM | No. of Committee which he/she is a Member/ Chair Person (as on 31.03.2024) |
|---------|--|------------------------------------|-------------------------------|----------------------------|--|
| 1 | Neeraj Ashok Chothani (DIN: 06732169) | Managing Director (Executive) | 8 | Yes | Member in Two Committees |
| 2 | Ashok Shivji Chothani (DIN: 06732163) | Chairman & Director (Executive) | 8 | Yes | Not member in any committee |
| 3 | Sunil Shivji Chothani (DIN: 06732173) | Whole-time Director (Executive) | 8 | Yes | Not member in any committee |



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| | | | | | |
|---|---|--|---|-----|-------------------------------------|
| 4 | Monil Chothani (DIN: 07978664) | Director (Non-Executive, Non Independent Director) | 8 | Yes | Member in one Committee |
| 5 | Mansi Harsh Dave (DIN: 07663806) | Independent Director (Non-Executive) | 7 | Yes | Member in all three committees |
| 6 | Raviprakash Narayan Vyas (DIN: 07893486) | Independent Director (Non-Executive) | 7 | Yes | Chairman in all three Committees |

COMMITTEES

There are three Committees constituted as per Companies Act, 2013, which are as follows:

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

A. Audit Committee

The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors. Its purpose is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting, reviewing the financial statement and statement of cash flow and reviewing the Company's statutory and internal audit activities. The terms of reference of the Committee are in line with the regulatory requirements mandated by the Companies Act, 2013.

During the year, four (4) Audit Committee meetings were held on 30-05-2023, 04-09-2023, 09-11-2023 and 16-02-2024.

| Sr. No. | Name | Designation | Position in committee | No. of Meetings Attended |
|---------|------------------------------|----------------------|-----------------------|--------------------------|
| 1 | Mr. Raviprakash Narayan Vyas | Independent Director | Chairman | 4 |
| 2 | Mrs. Mansi Harsh Dave | Independent Director | Member | 4 |
| 3 | Mr. Neeraj Ashok Chothani | Managing Director | Member | 4 |

B. Nomination and Remuneration Committee

The Nomination and Remuneration Committee assists the Board in overseeing the method, criteria and quantum of compensation for directors and key managerial personnel based on their performance and assessment criteria. The Committee formulates the criteria for evaluation of the performance of Independent Directors & the Board of Directors; identifying the persons who are qualified to become directors, and who may be appointed in senior management and recommend to the Board their appointment and removal. The terms of reference of the Committee are in line with the regulatory requirements mandated by the Companies Act, 2013.

During the year Two (2) Nomination & Remuneration Committee meetings were held on 04-09-2023 and 16-02-2024.

| Sr. No. | Name | Designation | Position in committee | No. of Meetings Attended |
|---------|------------------------------|------------------------|-----------------------|--------------------------|
| 1 | Mr. Raviprakash Narayan Vyas | Independent Director | Chairman | 2 |
| 2 | Mrs. Mansi Harsh Dave | Independent Director | Member | 2 |
| 3 | Mr. Monil Ashok Chothani | Non-Executive Director | Member | 2 |



NOMINATION AND REMUNERATION POLICY:

Nomination and Remuneration Policy in the Company is designed to create a high-performance culture. It enables the Company to attract motivated and retained manpower in competitive market, and to harmonize the aspirations of human resources consistent with the goals of the Company. The Company pays remuneration by way of salary, benefits, perquisites and allowances to its Executive Directors and Key Managerial Personnel.

The details of Nomination and Remuneration Policy, as adopted by the Board of Directors, is placed on the website of the Company at <http://www.chothanifoodslimited.com/wp-content/uploads/pdf/Nomination-and-Remuneration-Policy.pdf>

C. Stakeholders Relationship Committee

The Committee evaluates the efficacy with which services as mandated statutorily are extended to the Shareholders/Investors of the Company. The Committee periodically reviews the services as rendered to the Shareholders particularly with the redressal of complaints/grievances of Shareholders like delay in transfer of shares, non-receipt of Annual Report etc. The terms of reference of the Committee are in line with the regulatory requirements mandated by the Companies Act, 2013.

During the year Two (2) Stakeholders Relationship Committee meetings were held on 04-09-2023 and 16-02-2024.

| Sr. No. | Name | Designation | Position in committee | No. of Meetings Attended |
|----------------|------------------------------|----------------------|------------------------------|---------------------------------|
| 1 | Mr. Raviprakash Narayan Vyas | Independent Director | Chairman | 2 |
| 2 | Mrs. Mansi Harsh Dave | Independent Director | Member | 2 |
| 3 | Mr. Neeraj Ashok Chothani | Managing Director | Member | 2 |

D. Independent Director Meeting:

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

Independent Directors of the company met one time during the financial year 2023-24 on 28.03.2024, as per Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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, 2024, 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, 2024 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.

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

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this Report.

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

(A) Conservation of Energy:

| | | |
|-------|--|---|
| (i) | the steps taken or impact on conservation of energy; | Measures will be initiated for conservation of energy |
| (ii) | the steps taken by the company for utilizing alternate source of energy; | The Company shall consider on adoption of alternate source of energy as and when the need arises. |
| (iii) | the capital investment on energy conservation equipment | NIL |

(B) Technology Absorption:

| | | |
|-------|--|-----|
| (i) | the efforts made towards technology absorption; | NIL |
| (ii) | the benefits derived like product improvement, cost reduction, product development or import substitution; | NIL |
| (iii) | in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- (a) the details of technology imported; (b) the year of import; (c) whether the technology been fully absorbed; (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and | NIL |
| (iv) | the expenditure incurred on Research and Development during the year 2023-24. | NIL |



(C) Foreign Exchange Earnings and Outgo:

| | | |
|------|--|-----|
| (i) | The Foreign Exchange earning in terms of actual inflows | NIL |
| (ii) | The Foreign Exchange outgo during the year in terms of actual outflows | NIL |

ACCOUNTING STANDARDS

The Company has prepared the Financial Statements for the year ended 31st March, 2024 as per Section 133 of the Companies Act, 2013, read with rule 7 of Companies (Accounts) Rules, 2014.

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

There are no qualifications, reservations, adverse remarks, disclaimers or any fraud reported by the Statutory Auditors in their report on Financial Statements for the Financial Year 2023-24.

There are no qualifications, reservations, adverse remarks and disclaimers of the Secretarial Auditors in the Secretarial Audit Report for the Financial Year 2023-24.

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

Pursuant to Section 92(3) of the Act read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2024 is available on the website of the Company at www.chothanifoodslimited.com

AUDITORS

(I) Statutory Auditors

M/s. A Y & Company (Firm Registration No.: 020829C) Chartered Accountants, Mumbai were the Statutory Auditors of the Company from financial year 2022-23 of the Company i.e. since 09th Annual General Meeting till 14th Annual General Meeting (AGM). Pursuant to the provisions of Section 139(2) of the Companies Act, 2013, (the "Act"), read with applicable Rules framed thereunder, the term of M/s. A Y & Company, Chartered Accountants, expires at the conclusion of the AGM to be held in the year 2028. However, due to their pre-occupation, they have resigned from the position of Statutory Auditors of the Company vide their letter dated 30th August, 2024, resulting into a casual vacancy in the office of Statutory Auditors of the Company as envisaged by section 139(8) of the Companies Act, 2013. The Board of Directors placed on record their



appreciation for the services rendered by M/s. A Y & Company (Firm Registration No.: 020829C) Chartered Accountants, Mumbai.

Pursuant to the recommendations of the Audit Committee, the Board of Directors of the Company has, at its meeting held on 02nd September, 2024, appointed M/s. Gupta Rustagi & Co., Chartered Accountants, (Firm Registration No.: 128701W), as Statutory Auditors of the Company to fill the casual vacancy caused by resignation of M/s. A Y & Company to hold office till the conclusion of this AGM.

Also pursuant to the recommendations of the Audit Committee, the Board at its meeting held on 02nd September, 2024 has proposed the appointment of M/s. Gupta Rustagi & Co., Chartered Accountants, (Firm Registration No.: 128701W), as Statutory Auditors of the Company for a term of five consecutive years, to hold office from the conclusion of this AGM till the conclusion of AGM to be held in the year 2029 subject to approval of members of the Company at the ensuing Annual General Meeting of the Company to be held within 3 months.

The Statutory Auditors have confirmed that they continue to be eligible and are not disqualified from continuing as Statutory Auditors of the Company.

(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, were appointed as a Secretarial Auditors of the Company for the FY 2023-24. The Secretarial Audit report of the Secretarial Auditor is enclosed as “**Annexure-B** to this Report”.

COST RECORDS AND AUDIT

The provisions relating to maintaining of cost record and to conduct cost audit are not applicable to the Company.

DISCLOSURE OF EMPLOYEES REMUNERATION

The provisions of Rule 5(2) & (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 requiring particulars of the employees in receipt of remuneration in excess of Rs. 60 Lacs per year to be disclosed in the Report of Board of Directors are not applicable to the Company as none of the employees was in receipt of remuneration in excess of Rs. 60 Lacs during the financial year 2023-24.

Appointment & Remuneration of Managerial Personnel is annexed herewith as “**Annexure -B**”.

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-C.**”

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Your Company has an effective internal financial control and risk-mitigation system, which are constantly assessed and strengthened with new/revised standard operating procedures which also covers adherence to the Company’s policies for safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of accounting records and timely preparation of reliable financial disclosures. The Company’s internal financial control system is commensurate with its size, scale and complexities of its operations.



CORPORATE GOVERNANCE

The Company being listed on the Small and Medium Enterprise Platform is exempted from provisions of corporate governance as per Regulation 15 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015. Hence no corporate governance report is disclosed in this Annual Report.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

In pursuance of the provisions of Section 177(9) & (10) of the Companies Act, 2013 and Regulation 22 of SEBI (LODR) Regulations, 2015, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Policy on vigil mechanism i.e. whistle blower policy may be accessed on the Company's website.

The policy provides for a framework and process, for the employees and directors to report genuine concerns or grievances about leakage of unpublished price sensitive information (UPSI), illegal and unethical behavior to the Chairman of the Audit Committee.

COMPLIANCE WITH SECRETARIAL STANDARDS

Your Directors Confirms that Secretarial Standards issued by Institute of Company Secretaries of India, have been complied with.

DISCLOSURES AS PER SCHEDULE V OF THE COMPANIES ACT, 2013

| Name of the Director | Sunil Chothani | Neeraj Ashok Chothani | Ashok Shivji Chothani |
|------------------------------|----------------------------|----------------------------|----------------------------|
| Salary & Allowance | Upto 15,00,000/- per annum | Upto 15,00,000/- per annum | Upto 15,00,000/- per annum |
| Perquisites | Nil | Nil | Nil |
| Commission | Nil | Nil | Nil |
| Service Contract/ Tenure | As mutually agreed | As mutually agreed | As mutually agreed |
| Performance linked incentive | Nil | Nil | Nil |
| Notice Period | As mutually agreed | As mutually agreed | As mutually agreed |
| Severance Fees | Nil | Nil | Nil |
| Stock Option | Nil | Nil | Nil |
| Pension | Nil | Nil | Nil |

PARTICULARS OF EMPLOYEES

The Company being a Listed Public Company, provisions of Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 are applicable to the Company. The details of remuneration paid to the Directors and Key Managerial Personnel of the Companies are disclosed in the attached financial statements.

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.



THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

During the year under review, your Company has neither filed any application nor has any proceedings pending under The Insolvency and Bankruptcy Code, 2016 (31 of 2016). Thus, Section 134 (3) of the Act read with sub clause xi of sub rule 5 of Rule 8 of the Companies (Accounts) Rules 2014, is not applicable to the Company.

THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

During the year under review, the Company has not done any one time settlement for loans taken from banks or financial institutions. Thus, Section 134 of the Act read with clause xii of sub rule 5 of Rule 8 of the Companies (Accounts) Rules 2014, is not applicable to the Company.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Your Company did not have any funds lying in unpaid or unclaimed dividend account for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT

There are no shares in the demat suspense account/ unclaimed suspense account at the beginning and at the end of the financial year 2023-24.

DETAILS OF UTILISATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONS PLACEMENT AS SPECIFIED UNDER REGULATION 32 (7A) OF THE LISTING REGULATIONS

| Sr No | Type of Issue | Class of securities | Original amount of funds raised | Funds utilized |
|-------|--------------------|---------------------|---------------------------------|----------------|
| 1 | Preferential Issue | *Warrants | 7,78,50,000 | 3,74,40,000 |
| 2 | Preferential Issue | Equity Shares | 64,68,000 | - |

* During the financial year 2023-24, the Company had allotted 50,00,000 (Fifty Lakhs) Equity shares against the fully convertible warrants pursuant to the receipt of the request from the Warrant holder of the company w.r.t Conversion of their warrant into equivalent no of equity shares.

The fund has been utilized by the Company against the objects for which it was originally allocated and there had been no deviation pertaining to the same.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of shares (including sweat equity shares) to employees of the Company under any scheme and ESOS.



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: 02nd September, 2024
Place: Mumbai

For Chothani Foods Limited

Sd/-
Neeraj Chothani
Managing Director & CFO
DIN: 06732169

Sd/-
Sunil Chothani
Whole Time Director
DIN: 06732173



ANNEXURE- A
FORM NO. MR- 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2024
[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, 2024 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, 2024 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, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d) 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;
 - e) 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.
- (ii) The Listing Agreements entered into by the Company with SME Platform of BSE Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors (if any) 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.

We further report that the Company has generally complied with the above referred laws, rules, regulations, guidelines, standards, etc. and has adhered to the compliance schedule laid down by the Ministry of Corporate Affairs and SEBI in respect thereof.

I further report that during the audit period:

- The members of the Company in the Extra-Ordinary General Meeting dated 22/08/2023, passed a Special Resolution for alteration of Articles of Association by insertion of sub-clause 14(3) of AOA;
- The members of the Company in the Extra-Ordinary General Meeting dated 22/08/2023, passed an Ordinary Resolution for increase in Authorised Capital of the Company from INR 5,50,00,000.00 to INR 10,50,00,000.00 by creation of additional share capital of INR 5,00,00,000.00;
- The members of the Company in the Extra-Ordinary General Meeting dated 22/08/2023, passed a Special Resolution for Issue of upto 50,00,000 (Fifty Lakhs) warrants having face value of INR 10.00 each at premium of INR 5.57 per warrant at issue price of INR 15.57 per warrant each convertible into, or exchangeable for, one equity share of the Company within the period of 18 (eighteen months) in accordance with the applicable law ("Warrants") to the Promoter of the Company and certain identified non-promoter persons / entities;
- The Board of Directors in their Meeting dated 12/09/2023 passed a resolution for allotment of 50,00,000 (Fifty Lakhs) warrants having face value of INR 10.00 each at premium of INR 5.57 per warrant at issue price of INR 15.57 per warrant each convertible into, or exchangeable for, one equity share of the Company within the period of 18 (eighteen months) in accordance with the applicable law ("Warrants") to the Promoter of the Company and certain identified non-promoter persons/entities;
- The Board of Directors in their Meeting dated 16/02/2024 passed a resolution for allotment of 50,00,000 Equity Shares having face value of INR 10.00 each at premium of INR 5.57 per Equity Share at issue price of INR 15.57 per equity share pursuant to conversion of warrants into equity shares;
- The members of the Company in the Extra-Ordinary General Meeting dated 09/03/2024, passed a Special Resolution for Issue of upto 2,00,000 (Two Lakhs) Equity Shares of INR 10.00 each at a price of INR 32.34 per share including the premium of INR 22.34 on preferential basis to certain identified non-promoter persons / entities;



CHOTHANI FOODS LIMITED
(ANNUAL REPORT 2023-24)

- The Board of Directors in their Meeting dated 28/03/2024 passed a resolution for allotment of 20,00,000 Equity Shares having face value of INR 10.00 each at premium of INR 22.34 per Equity Share at issue price of INR 32.34 per equity share pursuant to conversion of warrants into equity shares.

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

Date: 28/08/2024
Place: Mumbai

Sd/-

CS PRATIK HARSHAD KALSARIYA
Proprietor
Membership No. FCS-12974
COP No.: 12368
***UDIN: F012974F001064970**
Peer Review No. 1953/2022

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.*



CHOTHANI FOODS LIMITED
(ANNUAL REPORT 2023-24)

“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: 28/08/2024

Place: Mumbai

Sd/-

CS PRATIK HARSHAD KALSARIYA
Proprietor
Membership No. FCS-12974
COP No.: 12368
*UDIN: F012974F001064970
Peer Review No. 1953/2022



ANNEXURE B

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

- (i) The ratio of the remuneration of each director to the median employee's remuneration for the Financial Year 2023-24 and such other details as prescribed is as given below:

| Name of the Directors | Designation | Total Remuneration (in Lakhs) | Ratio of remuneration of director to the median remuneration |
|--------------------------------|----------------------|-------------------------------|--|
| Executive Director | | | |
| Mr. Neeraj Ashok Chothani | Managing Director | 4.20 | 1.67:1 |
| Mr. Sunil Shivji Chothani | Whole-time Director | 4.20 | 1.67:1 |
| Mr. Ashok Shivji Chothani | Executive Director | 4.20 | 1.67:1 |
| Non- Executive Director | | | |
| Mr. Monil Ashok Chothani | Director | NA | NA |
| Ms. Mansi Harsh Dave | Independent Director | NA | NA |
| Mr. Raviprakash Narayan Vyas | Independent Director | NA | NA |

Notes:

- The aforesaid details are calculated on the basis of remuneration for the financial year 2023-24.
 - The remuneration to Directors does not includes sitting fees paid to them for the financial year 2023-24.
 - Median remuneration of all its employees is Rs. 2,52,000/- for the financial year 2023-24.
- (ii) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, if any, in the financial year:

| Name of the Directors, Chief Financial Officer, Chief Executive, Company Secretary | Designation | % increase in remuneration in the financial year |
|--|---------------------|--|
| Mr. Neeraj Ashok Chothani | Managing Director | NIL |
| Mr. Sunil Shivji Chothani | Whole-time Director | NIL |
| Mr. Ashok Shivji Chothani | Executive Director | NIL |
| Ms. Khushboo Nikhil Desai | Company Secretary | 20% |

- (iii) The percentage increase / (decrease) in the median remuneration of employees in the financial year: 5%
- (iv) The number of permanent employees in the Company as on 31st March, 2024: There are 9 (Including KMP) permanent employees on the rolls of the Company as on 31st March, 2024.
- (v) 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 any exceptional circumstances for increase in the managerial remuneration: The average percentage increase already made in the salary of the employees other than managerial personnel in the last financial year i.e. 2023-24 is 5% whereas managerial remuneration remained unchanged for FY 2023-24.



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- (vi) Affirmation that the remuneration is as per the remuneration policy of the Company: The Company affirms remuneration is as per the remuneration policy of the Company.
- vii) Statement pursuant to Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration Of Managerial Personnel) Rules, 2014: No employee in the Company has drawn remuneration falling under this category.

Date: 02nd September, 2024
Place: Mumbai

For Chothani Foods Limited

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



ANNEXURE- C

MANAGEMENT DISCUSSION & ANALYSIS REPORT

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

1. Industry Structure & Development:

India is the world's largest spice producer. It is also the largest consumer and exporter of spices. The production of different spices has been growing rapidly over the last few years. As per Survey the Indian spices market size exhibiting a growth rate (CAGR) of 11.15% during 2022-2027. In Chothani, we have sustainable fresh produce to make the best quality products for our customers. Our products are always the best of the season and retain maximum freshness, natural flavor and taste. Chothani Foods Limited commits to supply premium quality products at most reasonable price to clients no matter how vast or small quantity they require. Understanding the needs of our customers, we take special care of the products while packaging to ensure their safety and purity until cargo's are parked according to customers' options. Also our strong selected forwarders assure us to dispatch goods at affordable prices, on time every time.

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

The increasing demand for innovative flavors, authentic cuisines, and ethnic tastes in foods and snacks is augmenting the market for spices in India. Significant growth in the food processing industry along with hectic work schedules and sedentary lifestyles of the consumers are also propelling the demand for convenient food options. As a result, the growing utilization of spices in processed and ready-to-eat food products is further driving the market growth in the country.

Threats

The threats to the segment in which the Company operates are based on the product, price, availability customer service, ease of interaction, brand loyalty and various other factors arising due to competition from other low cost suppliers, severe competition. The marginal increment in the prices of spices, like pepper, ginger, and cardamom, on account of seasonal variation affecting productions, had let manufacturers upscale the packaged price for end consumers. On the other hand, the manufacturers are catering to consumers having a taste for a combination of different spices to penetrate the market with novel products. The company is doing the rightful and needful exercise in these areas and is confident in retaining and expanding its consumer base in the days to come.



3. Future Outlook

Spices have a long and ancient history, especially in India, where they are a part of life and heritage. In every home & in every province across the country, different spices and blends are used to create different and distinctive tastes in dishes. Our outlook remains bullish with our unconditional focus on building customer trust and value. Our unique selling point includes our professional yet very experienced management team coupled with our unwavering focus on providing a quality product.

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, 2024 is Rs. 800.36 Lakhs.

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 utilization 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 Rs. 801.56 Lakhs and net profit is at Rs. 13.51 Lakhs during the year ended 31st March, 2024 as compared to Rs. 821.03 Lakhs and net profit Rs. 12.85 Lakhs respectively for the last financial year.



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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. **Key Financial Ratios:**

| Sr. No. | Particulars | 2023-24 | 2022-23 | % Change | Explanation |
|---------|-------------------------|---------|---------|----------|---|
| A. | Debtors Turnover Ratio | 1.60 | 1.42 | 12.68 | Reason is not required as movement is not more than 25% |
| B. | Inventory Turnover | 1.69 | 1.83 | 7.65 | Reason is not required as movement is not more than 25% |
| C. | Interest Coverage Ratio | 2.17 | 1.99 | 9.05 | Reason is not required as movement is not more than 25% |
| D. | Current Ratio | 6.66 | 2.16 | 208.33 | Due to Increase in Current Assets |
| E. | Debt Equity Ratio | 0.05 | 0.24 | 79.17 | Due to Increase in Shareholders Equity |
| F. | Operating Profit Margin | 5.49 | 5.07 | 8.28 | Reason is not required as movement is not more than 25% |
| G. | Net Profit Margin | 1.69 | 1.57 | 7.64 | Reason is not required as movement is not more than 25% |
| H. | Return on Networth | 0.01 | 0.02 | 50.00 | Due to increase in Shareholder Equity |



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, 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, 2024 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: 02nd September, 2024
Place: Mumbai

For Chothani Foods Limited

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



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

**TO THE MEMBERS OF
CHOTHANI FOODS LIMITED**

OPINION

We have audited the accompanying Financial Statements of CHOTHANI FOODS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss for the year ended on March 31, 2024, the Statement Cash flow statement for the year ended & and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under Section 133 of the Act & other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its Profit/(loss) and its cash flows for the year ended on that date.

BASIS FOR OPINION

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

| S.No. | Key Audit Matter |
|--------------|---|
| 1. | <p>Assessment of Trade Receivables: The company has trade receivables amounting to Rs. 354.25 Lakhs (i.e. 19.13% of total assets) at the Balance Sheet Date March 31, 2024.</p> <p>The increasing challenges over the economy and operating environment in the Trading & manufacturing industry during the year have increased the risks of default on receivables from the company's customers. In particular, in the event of insolvency of customers, the company is exposed to potential risk of financial loss when the customers fail to meet their contractual obligations in accordance with the requirements of the agreements.</p> <p>Based on historical default rates and overall credit worthiness of customers, management</p> |



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| |
|---|
| <p>believes that no impairment allowance is required in respect of outstanding trade receivables as on March 31, 2024.</p> <p>For the purpose of impairment assessment, significant judgements and assumptions, including the credit risks of customers, the timing and amount of realisation of these receivables, are required for the identification of impairment events and the determination of the impairment charge.</p> |
| <p>Auditor Response to key Audit Matter:</p> |
| <p>Principal Audit Procedures:</p> <p>We have performed the following procedures in relation to the recoverability of trade receivables:</p> <ul style="list-style-type: none">• Tested the accuracy of aging of trade receivables at year end on a sample basis;• Obtained a list of outstanding receivables and assessed the recoverability of the unsettled receivables on a sample basis through our evaluation of management's assessment with reference to the credit profile of the customers, historical payment pattern of customers, publicly available information and latest correspondence with customers• Tested subsequent settlement of trade receivables after the balance sheet date on sample basis. |
| <p>Conclusion:</p> <p>We found the key judgement and assumptions used by management in the recoverability assessment of trade receivables to be supportable based on the available evidence.</p> |

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON.

The company's board is responsible for the preparation of the other information. The other information comprises the information included Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the Financial Statements and our Auditor's report thereon.

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

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial Statements to give a true and fair view of the financial position, financial performance, & cash flows of the Company in accordance with accounting standard & accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 responsible for overseeing the company's financial reporting process.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF FINANCIAL STATEMENTS

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

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

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



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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss & 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 March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164 (2) of the Act;
 - f) With respect to the adequacy of internal financial control over financial reporting of the company & the operating effectiveness of such controls, refer to our separate report in Annexure "A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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



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- (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 at March 31, 2024 as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- (iii) The Company is not liable to transfer any amounts, to the Investor Education and Protection Fund during the year ended March 31, 2024.
- (iv) a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (v) The company has not declared and paid any dividend during the year 2023-24.
- (vi) Based on our examination, which included test checks, the Company has not used accounting softwares for maintaining its books of account for the financial year ended March 31, 2024, which has a feature of recording audit trail (edit log) facility and the same has not been operated throughout the year for all relevant transactions recorded in the softwares.

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

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

For A Y & Company
Chartered Accountants
FRN : 020829C

Sd/-
Arpit Gupta
Partner
M.NO. : 421544
UDIN : 24421544BKFPKV7250
Place : Mumbai



Date : 30.05.2024

ANNEXURE "A" TO THE AUDITOR'S REPORT

Report on the Internal Financial Control under clause (i) of sub section 3 of Section 143 of companies Act, 2013 ('The Act')

We have audited the internal financial control over financial reporting of Chothani Foods Limited ('the company') as of 31st March, 2024 in conjunction with our audit of the financial statement of the company for the year ended on that date.

Management Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control



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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For A Y & Company
Chartered Accountants
FRN : 020829C

Sd/-
Arpit Gupta
Partner
M.NO. : 421544
UDIN : 24421544BKFPKV7250
Place : Mumbai
Date : 30.05.2024



ANNEXURE "B" TO THE AUDITOR'S REPORT

Referred to in Paragraph 2 Under "Report on Other Legal and Regulatory Requirements" of Our Report to the member of Chothani Foods Limited of Even Date

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

- 1) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

(B) The Company has maintained proper records showing full particulars of intangible assets.
 - b) The Company has a program of physical verification of Property, Plant and Equipment so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c) The title deeds of immovable properties are held in the name of the company.
 - d) The company has not revalued its Property, Plant & Equipment (including Right of use assets) or intangible assets during the year
 - e) No proceeding have been initiated or are pending against the company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- 2)
 - (a) The inventories, except goods-in-transit and stocks lying with third parties, have been physically verified by the management during the year. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories.
 - b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- 3) In our opinion the investments made by the company are prima facie, not prejudicial to the interest of the company. Further the company has not, provided any guarantee or security, granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, LLP or other parties covered in register maintained under section 189 of the companies act 2013. Hence the question of reporting such loans are not prejudicial to the company's interest or whether the receipt of the principal amount and interest are regular and whether reasonable steps for recovery of overdues of such loan are taken, does not arise.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans,



investments, guarantees, and security.

- 5) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Goods & Service Tax, Duty of Customs, Cess and any other statutory dues with the appropriate authorities and no statutory dues were outstanding as at 31st March, 2024 for a period of more than six months from the date they became payable except as followings:
 - b) According to the information and explanation given to us, there are no dues of income tax, Goods & service tax & duty of customs outstanding on account of any dispute.
- 8) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- 9)
 - a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
 - b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
 - c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
 - d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
 - e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
 - f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- 10)
 - a) The Company has not raised any money by way of initial public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
 - b) During the year, the Company has made preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally). As per information and explanation provided to us the same is in accordance with section 42 and section 62 of the Companies Act, 2013 and the amount was applied for the purpose for which the fund actually raised.



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- 11)
 - a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
 - b) No report under sub section (12) of section 143 of the companies act has been filed in Form ADT-4 as prescribed under rule 13 of companies (Audit and Auditors) Rules, 2014 with the central Government during the year and upto the date of this report.
 - c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing, and extent of our audit procedures.
- 12) The Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- 14)
 - a) In our opinion the company has an internal audit system commensurate with the size and nature of its business.
 - b) We have not received Internal Audit Report till the signing of this statutory audit report.
- 15) In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- 16)
 - (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
 - (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- 17) The company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- 18) During the year under review, there has been no resignation of statutory auditors during the year.
- 19) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall in due.



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- 20) There are no unspent amounts towards Corporate Social Responsibility (CSR) requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- 21) The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For A Y & Company
Chartered Accountants
FRN : 020829C

Sd/-
Arpit Gupta
Partner
M.NO. : 421544
UDIN : 24421544BKFPKV7250
Place : Mumbai
Date : 30.05.2024



| Chothani Foods Limited <i>(Formerly Known as Ashok Masala Mart Limited)</i> Balance sheet as at March 31, 2024 CIN No: L15122MH2014PLC252200 | | | |
|--|--|---|-----------------|
| (Amount in Lakhs) | | | |
| Particular | Notes | 31 March 2024 | 31 March 2023 |
| I. Equity and Liabilities | | | |
| Shareholders Fund | | | |
| Share Capital | 2.1 | 1,036.00 | 516.00 |
| Reserves & Surplus | 2.2 | 501.54 | 164.84 |
| | | 1,537.54 | 680.84 |
| Non-current liabilities | | | |
| Long Term Borrowings | 2.3 | 45.27 | 48.98 |
| Deferred tax liabilities (Net) | 2.4 | 5.23 | 4.82 |
| Other Long Term Liabilities | | - | - |
| | | 50.51 | 53.80 |
| Current liabilities | | | |
| Short Term Borrowings | 2.5 | 31.68 | 115.05 |
| Trade payables | | | |
| (a) total outstanding dues of micro and small enterprises | 2.6 | - | - |
| (b) total outstanding dues other than micro and small enterprises | 2.6 | 219.45 | 419.48 |
| Other current liabilities | 2.7 | 6.95 | 6.66 |
| Short term Provisions | 2.8 | 4.95 | 4.00 |
| | | 263.03 | 545.19 |
| Total | | 1,851.08 | 1,279.83 |
| II.Assets | | | |
| Non- current assets | | | |
| Property, Plant & Equipments | | | |
| Tangible Assets | 2.9 | 74.00 | 78.08 |
| Capital WIP | | - | - |
| Intangible Assets | 2.9 | 2.05 | 2.72 |
| Non Current Investments | | 20.04 | 19.15 |
| Deferred Tax Assets (Net) | 2.4 | - | - |
| Long Term Loans & Advances | | - | - |
| Other Non Current Assets | 2.10 | 2.07 | 2.07 |
| | | 98.15 | 102.02 |
| Current Assets | | | |
| Current Investments | | - | - |
| Inventories | 2.11 | 847.85 | 435.15 |
| Trade Receivables | 2.12 | 354.25 | 648.38 |
| Cash & Bank Balances | 2.13 | 280.58 | 2.17 |
| Short Term loans & advances | 2.14 | 262.37 | 85.28 |
| Other current Assets | 2.15 | 7.88 | 6.84 |
| | | 1,752.93 | 1,177.82 |
| Total | | 1,851.08 | 1,279.83 |
| Notes on significant accounting policies | 1 | | |
| The accompanying notes are an integral part of the financial statements. | | | |
| As per our report of even date For A Y & Company Firm Registration No. 020829C Chartered Accountants | | For and on behalf of the Board of Directors | |
| Sd/- Arpit Gupta Partner Membership No. 421544 UDIN : 24421544BKFPKV7250 Place : 30.05.2024 Date : Mumbai | Sd/- Mr. Ashok Chothani Chairman & Director DIN: 06732163 | Sd/- Mr. Neeraj Chothani Managing Director & CFO DIN: 06732169 | |
| | Sd/- Mr. Sunil Chothani Whole Time Director DIN: 06732173 | Sd/- Ms. Khushboo Desai Company Secretary M. No. : A45510 | |



CHOTHANI FOODS LIMITED
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| Chothani Foods Limited (Formerly Known as Ashok Masala Mart Limited) Standalone Statement of Profit and Loss for the year ended March 31, 2024 CIN No: L15122MH2014PLC252200 (Amount in Lakhs) | | | |
|--|--|---|---------------|
| Particular | Notes | 31 March 2024 | 31 March 2023 |
| Income | | | |
| Revenue from Operations | 2.16 | 800.36 | 820.20 |
| Other Income | 2.17 | 1.20 | 0.83 |
| Total Income (I) | | 801.56 | 821.03 |
| Expenses | | | |
| Cost of Material Consumed | | - | - |
| Purchase of Stock in Trade | 2.18 | 1,082.31 | 756.25 |
| Change in Inventories of Finished Goods, WIP & Stock in Trade | 2.19 | (412.70) | (45.98) |
| Employee benefit expenses | 2.20 | 34.22 | 29.42 |
| Finance Cost | 2.21 | 22.69 | 23.87 |
| Depreciation & Amortization Expense | 2.22 | 5.24 | 5.93 |
| Other Expenses | 2.23 | 48.48 | 33.84 |
| Total Expenses (II) | | 780.23 | 803.31 |
| Profit/(loss) Before Prior period, exceptional and extraordinary items and tax (I) - (II) | | 21.33 | 17.72 |
| Prior period items (Net) | | | - |
| Profit/(Loss) before tax | | 21.33 | 17.72 |
| Tax Expenses | | | |
| Current Tax | | 4.95 | 4.00 |
| Deferred Tax Charge | | 0.42 | 0.46 |
| Tax Related to Earlier Years | | 2.45 | 0.41 |
| Total Tax Expense | | 7.82 | 4.87 |
| Profit/(loss) after tax | | 13.51 | 12.85 |
| Earnings/(loss) Per Share | | | |
| Basic (Nominal value of shares Rs.10 (PY: Rs.10)) | 2.24 | 0.23 | 0.25 |
| Diluted (Nominal value of shares Rs.10 (PY: Rs.10)) | 2.24 | 0.23 | 0.25 |
| Notes on significant accounting policies | 1 | | |
| The accompanying notes are an integral part of the financial statements. | | | |
| As per our report of even date For A Y & Company Firm Registration No. 020829C Chartered Accountants | | For and on behalf of the Board of Directors | |
| | Sd/- Mr. Ashok Chothani Chairman & Director DIN: 06732163 | Sd/- Mr. Neeraj Chothani Managing Director & CFO DIN: 06732169 | |
| Sd/- Arpit Gupta Partner Membership No. 421544 UDIN : 24421544BKFPKV7250 Place : 30.05.2024 Date : Mumbai | Sd/- Mr. Sunil Chothani Whole Time Director DIN: 06732173 | Sd/- Ms. Khushboo Desai Company Secretary M. No. : A45510 | |

NOTE – 1

SUMMARY SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

A. COMPANY INFORMATION

The company was originally incorporated under the name “Chothani Foods Private Limited” under the provisions of the Companies Act, 2013 and certificate of incorporation was issued by the Registrar of Companies, Central Registration Centre, Mumbai on January 17, 2014. The status of our Company was changed to public limited and the name of our Company was changed to “Chothani Foods Limited The Corporate Identification Number of our Company is L15122MH2014PLC252200.

B. SIGNIFICANT ACCOUNTING POLICIES

1. Accounting Convention

The financial statement are prepared under the historical cost convention on the “Accrual Concept” and Going Concern assumption of accountancy in accordance with the accounting principles generally accepted in India and comply with the accounting standards as prescribed by Companies (Accounting Standard) Rules, 2006 and with the relevant provisions of the Companies Act, 2013 and rules made there under.

2. Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities on the date of the financial statement and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which results are known/materialized.

3. Property, Plant and Equipment

Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises of all expenses incurred to bring the assets to its present location and condition. Borrowing cost directly attributable to the acquisition /construction are included in the cost of fixed assets. Adjustments arising from exchange rate variations attributable to the fixed assets are capitalized.

In case of new projects / expansion of existing projects, expenditure incurred during construction / preoperative period including interest and finance charge on specific / general purpose loans, prior to commencement of commercial production are capitalized. The same are allocated to the respective t on completion of construction / erection of the capital project / fixed assets.

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future economic benefits from the existing asset beyond its previously assessed standard of performance.

Capital assets (including expenditure incurred during the construction period) under erection / installation are stated in the Balance Sheet as “Capital Work in Progress.”

4. Impairment of Assets

At each balance sheet date, the Company reviews the carrying amount of its fixed assets to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset’s net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the assets and from its disposal are discounted to their present value using a

pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the assets.

5. Depreciation

All fixed assets, except capital work in progress, are depreciated on WDV Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Depreciation on additions to / deletions from fixed assets made during the period is provided on pro-rata basis from / up to the date of such addition /deletion as the case may be.

6. Investments

Investments are classified into current investments and non-current investments. Current investments i.e. investments that are readily realizable and intended to be held for not more than a year valued at cost. Any permanent reduction in the carrying amount or any reversals of such, reductions are charged or credited to the Statement of Profit & loss Account.

Non-current investments are stated at cost. Provision for diminution in the value of these investments is made only if such decline is other than temporary, in the opinion of the management.

7. Inventories

Inventories consist of Raw Material & Finished Goods are valued at Cost or Net Realizable Value, whichever is lower.

8. Revenue Recognition

Revenue from the operations is recognized on generally accepted accounting principal and when it is earned and no significant uncertainty exists as to its ultimate collection and includes taxes, wherever applicable.

The capital gain on sale of investments if any are recognized on completion of transaction. No notional profit/loss are recognized on such investments.

Interest income is recognized on time proportion basis, when it is accrued and due for payment.

9. Borrowing Cost

Borrowing cost that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets. A qualifying assets is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

10. Employee Benefits

Short – term employee benefits are recognized as an expense at the undiscounted amount in the profit & loss account of the year in which the related service is rendered.

Post employment and other long term employee benefits are recognized as an expense in the profit & loss account for the year in which the liabilities are crystallized.

11. Taxes on Income

Income tax expenses for the year comprises of current tax and deferred tax. Current tax provision is determined on the basis of taxable income computed as per the provisions of the Income Tax Act. Deferred tax is recognized for all

timing differences that are capable of reversal in one or more subsequent periods subject to conditions of prudence and by applying tax rates that have been substantively enacted by the balance sheet date.

12. Foreign Currency Translation

- a) Transaction denominated in foreign currencies are recorded at the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the year end are restated at closing rate.
- b) Any exchange difference on account of settlement of foreign currency transaction and restatement of monetary assets and liabilities denominated in foreign currency is recognized in the statement of Profit & loss Account.

13. Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

C. NOTES ON ACCOUNTS

1. The financial statements including financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.

2. Post Employment Benefits:

The Company has not valued its obligations related to Post Employment Benefits as on March 31, 2024

3. Segment Reporting

The Company at present is engaged in the Trading of Whole and Grounded Spices and all operation are undertaken at single units. In view of above, primary, and secondary reporting disclosures for business/geographical segment as envisaged in AS –17 are not applicable to the Company.

4. Provisions, Contingent Liabilities and Contingent Assets (AS 29)

Contingent liabilities and commitments (to the extent not provided for). There are no contingent liabilities as on March 31, 2024.

5. Transaction in Foreign Currency

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

6. Trade Payable Ageing Summary

As on 31.03.2024 :

| Particulars | Outstanding for following periods from due date of payment | | | | Total |
|----------------------|--|----------|----------|------------------|--------|
| | Less than 1 yr. | 1-2 yrs. | 2-3 yrs. | More than 3 yrs. | |
| MSME | -- | -- | -- | -- | -- |
| Others | 207.05 | 3.29 | 0.79 | 8.32 | 219.45 |
| Disputed dues - MSME | -- | -- | -- | -- | -- |

| | | | | | |
|-----------------|----|----|----|----|----|
| Disputed dues - | -- | -- | -- | -- | -- |
| Others | | | | | |

As on 31.03.2023 :

| Particulars | Outstanding for following periods from due date of payment | | | | Total |
|-----------------|--|----------|----------|------------------|--------|
| | Less than 1 yr. | 1-2 yrs. | 2-3 yrs. | More than 3 yrs. | |
| MSME | -- | -- | -- | -- | -- |
| Others | 410.37 | 0.78 | 1.81 | 6.52 | 419.48 |
| Disputed dues - | -- | -- | -- | -- | -- |
| MSME | | | | | |
| Disputed dues - | -- | -- | -- | -- | -- |
| Others | | | | | |

8. Trade Receivable Ageing Summary

As on 31.03.2024

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|---|--|-----------------|----------|----------|------------------|--------|
| | Less than 6 months | 6 months-1 year | 1-2 yrs. | 2-3 yrs. | More than 3 yrs. | |
| (i) Undisputed Trade receivables-considered good | 226.80 | 0.30 | 100.07 | 0.94 | 26.14 | 354.25 |
| (ii) Undisputed Trade Receivables-Considered Doubtful | -- | -- | -- | -- | | -- |
| (iii) Disputed Trade Receivables considered good | -- | -- | -- | -- | | -- |
| (iv) Disputed Trade Receivables considered doubtful | -- | -- | -- | -- | | -- |

As on 31.03.2023

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|---|--|-----------------|----------|----------|------------------|--------|
| | Less than 6 months | 6 months-1 year | 1-2 yrs. | 2-3 yrs. | More than 3 yrs. | |
| (i) Undisputed Trade receivables-considered good | 451.90 | 162.07 | 21.98 | 1.59 | 10.84 | 648.38 |
| (ii) Undisputed Trade Receivables-Considered Doubtful | -- | -- | -- | -- | | -- |
| (iii) Disputed Trade Receivables considered good | -- | -- | -- | -- | | -- |
| (iv) Disputed Trade Receivables considered doubtful | -- | -- | -- | -- | | -- |

9. Statement of Various Accounting Ratios

| S. No. | Particular | Numerator | Denominator | Ratio | | Movement in % | Reason for Movements (if movement is more than 25%) |
|--------|---|---------------------------------------|-----------------------------|------------|------------|---------------|---|
| | | | | 31.03.2024 | 31.03.2023 | | |
| (a) | Current Ratio | Current Assets | Current Liabilities | 6.66 | 2.16 | 208.33 | Due to Increase in Current Assets |
| (b) | Debt-Equity Ratio | Total Debt | Shreholders Equity | 0.05 | 0.24 | 79.17 | Due to Increase in Shareholders Equity |
| (c) | Debt Service Coverage Ratio | Net Operating Income | Total Debt Service | 0.55 | - | 100% | Due to Repayment of Debts |
| (d) | Return on Equity Ratio | Profit After Tax | Average Shareholders Equity | 0.01 | 0.02 | 50.00 | Due to Increase in Shareholder Equity |
| (e) | Trade Receivables turnover ratio (in times) | Revenue | Average Trade Receivable | 1.60 | 1.42 | 12.68 | Reason is not required as movement is not more than 25% |
| (f) | Trade payables turnover ratio (in times) | Purchase of Services & other Expenses | Average Trade Payables | 2.10 | 2.19 | 4.11 | Reason is not required as movement is not more than 25% |
| (g) | Net capital turnover ratio (in times) | Revenue | Net Working Capital | 0.54 | 1.30 | 58.46 | Due to Increase in Working Capital |
| (h) | Net profit ratio | Net Profit | Revenue | 1.69 | 1.57 | 7.64 | Reason is not required as movement is not more than 25% |
| (i) | Return on Capital employed | Operating Profit | Total Capital Employed | 0.03 | 0.06 | 50.00 | Due to Increase in Capital Employed |

7. Other Disclosure:

| Sr. No. | Particulars | Note in financial statements |
|---------|--|--|
| (i) | Title deeds of Immovable Property not held in the name of the Company: | The Company do not have any Immovable property which is not held in the name of Company. |
| (ii) | Loans or advances to specified persons | The Company has not provided any Loan or Advances to specified persons. |
| (iii) | Details of Benami Property held | The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property. |

| | | |
|-------|--|---|
| (iv) | Borrowings secured against current assets | The Company has availed facilities from banks on the basis of security of current assets. |
| (v) | Wilful Defaulter | The Company is not declared Wilful Defaulter by any Bank or any Financial Institution. |
| (vi) | Relationship with Struck off Companies | The Company do not have any transactions with struck-off companies. |
| (vii) | Undisclosed income | The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). |
| (x) | Details of Crypto Currency or Virtual Currency | The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year. |



**CHOTHANI FOODS LIMITED
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**Chothani Foods Limited
(Formerly Known as Ashok Masala Mart Limited)
Notes to Standalone financial Statements for the year ended 31 March 2024
CIN No: L15122MH2014PLC252200**

Share Holder Funds

(Amount in Lakhs)

| | 31-Mar-24 | 31-Mar-23 |
|---|-----------------|---------------|
| 2.1. Share Capital | | |
| Authorised Shares | | |
| 1,05,00,000 Equity Shares of Rs. 10 Each (Previous year 55,00,000 Equity Shares of Rs. 10 Each) | 1,050.00 | 550.00 |
| Issued Shares | | |
| 1,03,60,000 Equity Shares of Rs. 10 Each (Previous Year 51,60,000 Equity Shares of Rs. 10 Each) | 1,036.00 | 516.00 |
| Subscribed & Paid up Shares | | |
| 1,03,60,000 Equity Shares of Rs. 10 Each (Previous Year 51,60,000 Equity Shares of Rs. 10 Each) | 1,036.00 | 516.00 |
| Total Issued, Subscribed and Fully Paid-up Share Capital | 1,036.00 | 516.00 |

A. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

| Equity Shares | 2023-24 | | 2022-23 | |
|--|--------------------|----------------------|------------------|----------------------|
| | Number | Issued Capital (Rs.) | Number | Issued Capital (Rs.) |
| Shares outstanding at the beginning of the year | 51,60,000 | 5,16,00,000 | 51,60,000 | 5,16,00,000 |
| Bonus Shares Issued during the year | - | - | - | - |
| Shares Issued during the year | 52,00,000 | 5,20,00,000 | - | - |
| Shares outstanding at the end of the year | 1,03,60,000 | 10,36,00,000 | 51,60,000 | 5,16,00,000 |

B. Shares in the company held by each shareholder holding more than 5 % shares specifying the number of shares held

| Particulars | 2023-24 | | 2022-23 | |
|-------------------------------------|-----------|--------------|-----------|--------------|
| | Number | % of Holding | Number | % of Holding |
| Bonne Volonte Communications LLP | 13,81,550 | 13.34% | 13,81,550 | 26.77% |
| Sunil Shivji Chothani | 4,82,500 | 4.66% | 4,82,500 | 9.35% |
| Ashok Shivji Chothani | 4,82,500 | 4.66% | 4,82,500 | 9.35% |
| Westpac Investments private Limited | 3,05,000 | 2.94% | 3,90,000 | 7.56% |
| Urvashi Pravin Seth | 12,35,000 | 11.92% | 2,60,000 | 5.04% |
| Ketan Praveen Ranga | 10,55,000 | 10.18% | 50,000 | 0.01% |
| Shilpa Amit Gharlute | 7,50,000 | 7.24% | 50,000 | 0.01% |
| Pooja Rajesh Chapekar | 7,50,000 | 7.24% | - | - |
| Vallabh Gajanan Nare | 7,50,000 | 7.24% | - | - |
| Neeraj Ashok Chothani | 6,50,950 | 6.28% | 1,50,950 | 2.93% |

C. Shares held by holding/ultimate holding company and/or their subsidiaries/associates

There is no Holding Company of Chothani Foods Limited

D. Shares with rights preferences and restrictions attaching to each class including restriction on distribution of dividend and repayment of capital

Equity shares

The company has only one class of Equity having a par value Rs. 10.00 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

E. Shareholding Of Promoters

| Particulars | 2023-24 | | % Change in Shareholding | 2022-23 | | % Change in Shareholding |
|----------------------------------|-----------|--------------|--------------------------|-----------|--------------|--------------------------|
| | Number | % of Holding | | Number | % of Holding | |
| Name of Shareholder | | | | | | |
| Ashok Shivji Chothani | 4,82,500 | 4.66% | 4.69% | 4,82,500 | 9.35% | - |
| Neeraj Ashok Chothani | 6,50,950 | 6.28% | 3.35% | 1,50,950 | 2.93% | - |
| Sunil Shivji Chothani | 4,82,500 | 4.66% | 4.69% | 4,82,500 | 9.35% | - |
| Bonne Volonte Communications LLP | 13,81,550 | 13.34% | 13.44% | 13,81,550 | 26.77% | - |



CHOTHANI FOODS LIMITED

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Chothani Foods Limited
(Formerly Known as Ashok Masala Mart Limited)
Notes to Standalone financial Statements for the year ended 31 March 2024
 CIN No: L15122MH2014PLC252200

SHAREHOLDERS FUND

(Amount in Lakhs)

| 2.2. Reserves & Surplus | 31-Mar-24 | 31-Mar-23 |
|---|---------------|---------------|
| A. Surplus | | |
| Opening balance | 89.37 | 76.52 |
| (-) Bonus Shares issued during the year | - | - |
| (-) Adjustment of Deferred Tax for Earlier Period | - | - |
| (+) Net Profit/(Net Loss) For the current year | 13.51 | 12.85 |
| | 102.88 | 89.37 |
| B. Securities Premium | | |
| Opening Balance | 75.48 | 75.48 |
| (+) Additions during the year | 323.18 | - |
| (-) Bonus Shares issued during the year | - | - |
| Closing Balance | 398.66 | 75.48 |
| Closing Balance | 501.54 | 164.84 |

NON-CURRENT LIABILITIES

| 2.4. Deferred Tax Liability/(Assets) | 31-03-2024 | 31-03-2023 |
|---|-------------|-------------|
| Deferred tax Liability (asset) at the beginning of the year | 4.82 | 4.36 |
| Addition during the year | 0.42 | 0.46 |
| Total | 5.23 | 4.82 |

| 2.5. Long Term Borrowings | 31-03-2024 | 31-03-2023 |
|---------------------------|--------------|--------------|
| Secured | | |
| HDFC Bank - Office Loan | 45.27 | 48.98 |
| Total | 45.27 | 48.98 |

Current liabilities

| 2.5. Short Term Borrowings | 31-03-2024 | 31-03-2023 |
|--------------------------------------|--------------|---------------|
| Secured | | |
| Union Bank of India OD Account | 27.97 | 111.72 |
| Current Maturities of Long Term Debt | 3.71 | 3.33 |
| Total | 31.68 | 115.05 |

| 2.6. Trade Payables | 31-03-2024 | 31-03-2023 |
|--|---------------|---------------|
| Trade Payables | | |
| Micro, Small & Medium Enterprises | - | - |
| Other than Micro, Small & Medium Enterprises | 219.45 | 419.48 |
| Total | 219.45 | 419.48 |

2.6.1 Disclosure in respect of amount due to Micro, Small & Medium Enterprises:

The management has initiated the process of identifying enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2024 has been made in the financials statements based on information received and available with the Company as on date of financials. The Company has not received any claim for interest from any supplier under the said Act.

| 2.7. Other Current Liabilities | 31-03-2024 | 31-03-2023 |
|--------------------------------|-------------|-------------|
| Provision for Expenses Payable | 6.79 | 5.19 |
| Salary payable | | 1.12 |
| Advance from Customers | | 0.29 |
| Statutory Dues Payable | 0.16 | 0.06 |
| Total | 6.95 | 6.66 |

| 2.8. Short Term Provisions | 31-03-2024 | 31-03-2023 |
|----------------------------|-------------|-------------|
| Provision for Income tax | 4.95 | 4.00 |
| Total | 4.95 | 4.00 |



Chothani Foods Limited
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Notes to Standalone financial Statements for the year ended 31 March 2024
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NON CURRENT ASSETS

(Amount in Lakhs)

| 2.9. Property, Plant & Equipments | Gross Block | | | Accumulated Depreciation | | | | Net Block | | |
|-----------------------------------|-------------------------------|-------------|---------------|--------------------------------|-------------------------------|--|------------------------|--------------------------------|-------------------------------|--------------------------------|
| | Balance as at 1 April 2023 | Additions | Deletion/Sale | Balance as at 31 March 2024 | Balance as at 1 April 2023 | Depreciation charge for the period | Deletion- Sale/Loss | Balance as at 31 March 2024 | Balance as at 1 April 2023 | Balance as at 31 March 2024 |
| A. Tangible Assets | | | | | | | | | | |
| Air Compressor | 0.14 | | | 0.14 | 0.06 | - | | 0.06 | 0.08 | 0.08 |
| Auger Filler Machine | 2.79 | | | 2.79 | 1.26 | 0.28 | | 1.53 | 1.53 | 1.25 |
| Bag Scaling Machine | 0.09 | | | 0.09 | 0.04 | | | 0.04 | 0.05 | 0.05 |
| Band Sealer | 0.16 | | | 0.16 | 0.07 | | | 0.07 | 0.09 | 0.09 |
| Camera & LED | 0.25 | | | 0.25 | 0.16 | 0.04 | | 0.19 | 0.09 | 0.06 |
| Mobile | 0.07 | | | 0.07 | 0.01 | | | 0.01 | 0.06 | 0.06 |
| Computer/printer | 0.28 | 0.17 | | 0.45 | 0.22 | 0.02 | | 0.24 | 0.06 | 0.21 |
| Cylinder dye | 4.11 | | | 4.11 | 1.82 | 0.41 | | 2.24 | 2.29 | 1.87 |
| Furniture | 1.81 | | | 1.81 | 1.07 | 0.19 | | 1.27 | 0.74 | 0.55 |
| Office Premises | 84.76 | | | 84.76 | 11.79 | 3.55 | | 15.34 | 72.97 | 69.42 |
| Weighing Scale | 0.22 | 0.31 | | 0.53 | 0.10 | 0.06 | | 0.16 | 0.12 | 0.37 |
| | 94.68 | 0.48 | - | 95.16 | 16.60 | 4.56 | - | 21.16 | 78.08 | 74.00 |
| B. Intangible Assets | | | | | | | | | | |
| Goodwill | 6.42 | | | 6.42 | 3.71 | 0.68 | | 4.39 | 2.71 | 2.03 |
| Trademark | 0.03 | | | 0.03 | 0.01 | - | | 0.01 | 0.01 | 0.01 |
| | 6.45 | - | - | 6.45 | 3.73 | 0.68 | - | 4.40 | 2.72 | 2.05 |
| Total | 101.13 | 0.48 | - | 101.61 | 20.33 | 5.24 | - | 25.56 | 80.80 | 76.04 |



Chothani Foods Limited
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| 2.10. Other Non Current Assets | 31-Mar-24 | 31-Mar-23 |
|---------------------------------------|------------------|------------------|
| Virchand L Gada - Deposit | 1.07 | 1.07 |
| Rajendrakumar Hajarimal Jain | 1.00 | 1.00 |
| Total | 2.07 | 2.07 |

| 2.11. Non Current Investments | 31-Mar-24 | 31-Mar-23 |
|--|------------------|------------------|
| Gold Bar | 3.90 | 3.90 |
| Shares of Saraswat Co Operative Bank Limited | 0.09 | 0.09 |
| Fixed Deposit | 16.05 | 15.15 |
| Total | 20.04 | 19.15 |

CURRENT ASSETS

| 2.11. Inventories | 31-Mar-24 | 31-Mar-23 |
|--------------------------|------------------|------------------|
| Finshied Goods | 847.85 | 435.15 |
| Total | 847.85 | 435.15 |

| 2.12. Trade Receivables | 31-Mar-24 | 31-Mar-23 |
|---|------------------|------------------|
| Unsecured, Considered good | | |
| Debts outstanding other than Related Parties for a period: | | |
| Less than Six Months- Considered Good | - | - |
| More than Six Months- Considered Good | 354.25 | 648.38 |
| | 354.25 | 648.38 |
| Total | 354.25 | 648.38 |

| 2.13. Cash and Bank Balances | 31-Mar-24 | 31-Mar-23 |
|--|------------------|------------------|
| Cash & Cash Equivalent | | |
| Balance with Banks in current Accounts | 276.85 | 0.97 |
| Balance with Banks in deposit Accounts | - | - |
| Cash on hand | 3.73 | 1.21 |
| Total | 280.58 | 2.17 |

| 2.14. Short Term Loans and Advances | 31-Mar-24 | 31-Mar-23 |
|--|------------------|------------------|
| Staff Advance | 7.37 | 7.37 |
| Aryaman Financial Services Limited | 1.00 | 1.00 |
| Getalong Enterprise Limited | - | 0.11 |
| Shree Enterprises | 200.00 | - |
| Sun Enterprises | 54.00 | 76.50 |
| Others | - | 0.30 |
| Total | 262.37 | 85.28 |

| 2.15. Other Current Assets | 31-Mar-24 | 31-Mar-23 |
|-----------------------------------|------------------|------------------|
| Balance With Revenue Authorities | 7.88 | 6.77 |
| Prepaid Insurance | - | 0.08 |
| Total | 7.88 | 6.84 |



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| 2.16. Revenue From Operations | 31-Mar-24 | 31-Mar-23 |
|--------------------------------------|------------------|------------------|
| Domestic Sales | 800.36 | 820.20 |
| Total | 800.36 | 820.20 |

| 2.17. Other Income | 31-Mar-24 | 31-Mar-23 |
|----------------------------|------------------|------------------|
| Interest on Fixed Deposits | 0.99 | 0.78 |
| Other Income | 0.21 | 0.06 |
| Total | 1.20 | 0.83 |

| 2.18. Purchases of Stock in Trade | 31-Mar-24 | 31-Mar-23 |
|--|------------------|------------------|
| Purchases | 1,082.31 | 756.25 |
| Total | 1,082.31 | 756.25 |

| 2.19. Change in Inventories | 31-Mar-24 | 31-Mar-23 |
|---|------------------|------------------|
| Inventories at the beginning of the year | | |
| Finished Goods | 435.15 | 389.16 |
| Inventories at the End of the year | | |
| Finished Goods | 847.85 | 435.15 |
| Total | (412.70) | (45.98) |

| 2.20. Employee Benefits Expenses | 31-Mar-24 | 31-Mar-23 |
|---|------------------|------------------|
| Director Remuneration | 12.60 | 12.60 |
| Salary & Wages | 21.32 | 16.59 |
| Staff Welfare | 0.30 | 0.23 |
| Total | 34.22 | 29.42 |



Chothani Foods Limited

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Notes to Standalone financial Statements for the year ended 31 March 2024

CIN No: L15122MH2014PLC252200

| 2.21. Finance Cost | 31-Mar-24 | 31-Mar-23 |
|---------------------------|------------------|------------------|
| Interest charges | 18.36 | 19.97 |
| Bank Charges | 4.34 | 3.89 |
| Total | 22.69 | 23.87 |

| 2.22. Depreciation & Amortization Expense | 31-Mar-24 | 31-Mar-23 |
|--|------------------|------------------|
| Depreciation Expenses | 5.24 | 5.93 |
| Total | 5.24 | 5.93 |

| 2.23. Other Expenses | 31-Mar-24 | 31-Mar-23 |
|-----------------------------|------------------|------------------|
| Advertising exp | 0.44 | 0.24 |
| APMC Charges | 0.66 | 0.36 |
| Claim | 0.01 | 0.54 |
| Commission | 0.74 | 0.25 |
| Conveyance | 0.36 | 0.17 |
| Discount | 0.04 | 0.03 |
| Shipping Charges | 2.25 | - |
| Dr/Cr Balance Written Off | 4.01 | 3.66 |
| Electricity Charges | 0.35 | 0.34 |
| General Expenses | 0.67 | 0.24 |
| Grinding charges | 2.10 | 1.17 |
| Hamali charges | 0.20 | 0.00 |
| Internet Charges | - | 0.04 |
| Insurance Charges | 0.49 | 0.49 |
| Loading/Unloading | 0.05 | 0.04 |
| Listing Fees | - | 0.25 |
| Property Tax | - | 0.30 |
| Office Expenses | 1.03 | 0.37 |
| Packing charges | 5.38 | 5.92 |
| Postage & Courier | 0.05 | 0.10 |
| Printing & Stationary | 1.86 | 0.87 |
| Professional Fees | 8.08 | 3.76 |
| Penalty | - | 0.05 |
| Rent Paid | 7.03 | 6.84 |
| Repair & Maintenance | 0.08 | 0.01 |
| ROC Fees | 5.01 | 0.14 |
| Society Maintenance | 0.67 | 0.67 |
| Software Charges | - | 0.15 |
| Telephone & Mobile Expenses | 0.16 | 0.20 |
| Transportation Expenses | 5.69 | 6.57 |
| Travelling Expenses | 1.09 | 0.01 |
| Website Expenses | - | 0.07 |
| Total | 48.48 | 33.84 |



Chothani Foods Limited

(Formerly Known as Ashok Masala Mart Limited)

Notes to Standalone financial Statements for the year ended 31 March 2024

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| 2.24. Earnings Per Share | 31-Mar-23 | 31-Mar-22 |
|---|------------------|------------------|
| Profit/(Loss) after tax as per Statement of Profit and Loss | 13.51 | 12.85 |
| Weighted average number of equity shares in calculating basic EPS | 57.79 | 51.60 |
| Basic {Nominal Value of Shares- Rs. 10/- (Previous Year- Rs. 10/-)} | 0.23 | 0.25 |
| Diluted {Nominal Value of Shares- Rs. 10/- (Previous Year- Rs. 10/-)} | 0.23 | 0.25 |



Chothani Foods Limited

(Formerly Known as Ashok Masala Mart Limited)

Notes to Standalone financial Statements for the year ended 31 March 2024

CIN No: L15122MH2014PLC252200

2.25 Related Party Disclosures- AS-18

| Relationship with Related party | Name of related parties |
|--|--|
| Key Managerial Personnel Key Managerial Personnel Key Managerial Personnel Key Managerial Personnel | Ashok Shivji Chothani (Chairman and Director) Neeraj Chothani (Managing Director and C.F.O.) Sunil Shivji Chothani (Whole time Director) Khushboo Nikhil Desai (Company Secretary) |
| Transactions with Related Party:- | |
| Name of the Party | For year ended on March 31, 2024 |
| <u>Director Remuneration including Incentive</u> | |
| Ashok S Chothani | 4.20 |
| Neeraj Chothani | 4.20 |
| Sunil S Chothani | 4.20 |
| <u>Salary Expenses</u> | |
| Khushboo Nikhil Desai | 3.53 |
| Closing Balances of Related Parties | |
| Name of the Party | For year ended on March 31, 2024 |
| <u>Payables</u> | |
| Ashok Chothani | 2.31 |
| Neeraj Chothani | 0.74 |
| Sunil S Chothani | 2.07 |



Chothani Foods Limited

(Formerly Known as Ashok Masala Mart Limited)

Notes to Standalone financial Statements for the year ended 31 March 2024

CIN No: L15122MH2014PLC252200

2.26 Other disclosures

(a) **Remuneration to Directors**

| Particulars | 31st March 2024 | 31st March 2023 |
|-------------------------------|-----------------|-----------------|
| Salary including Variable Pay | 12.60 | 12.60 |
| Total | 12.60 | 12.60 |

- (b) As per the best estimate of the management, there is no capital commitment and contingent liability exists as on the date of the financial statement.
- (c) Disclosures required under mandatory accounting standards & Schedule III are given to the extent applicable and possible.
- (d) Additional information as required by para 5 of General Instructions for preparation of Statement of Profit and Loss (other than already disclosed above) are either Nil or Not Applicable.

The company has not received any intimation from suppliers regarding their status under the Micro Small and Medium Enterprises Development Act 2006 and hence disclosers, if any, relating to the amount unpaid as at the year end together with interest payable/paid as required under the said Act have not been furnished.

- (e) All the balance shown under the heads sundry debtors sundry creditors, loan & advances and unsecured loan are subject to confirmation.
- (f) Previous year figures are regrouped or rearranged wherever considered necessary.

As per our report of even date
For A Y & Company
Firm Registration No. 020829C
Chartered Accountants
Sd/-
Arpit Gupta
Partner
Membership No. 445912
UDIN : 24421544BKFPKV7250
Place : 30.05.2024
Date : Mumbai

For and on behalf of the Board of Directors

Sd/-
Mr. Ashok Chothani
Chairman & Director
DIN: 06732163
Sd/-
Mr. Sunil Chothani
Whole Time Director
DIN: 06732173

Sd/-
Mr. Neeraj Chothani
Managing Director & CFO
DIN: 06732169
Sd/-
Ms. Khushboo Desai
Company Secretary
M. No. : A45510



CHOTHANI FOODS LIMITED
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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, DAMJI 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:

1. Name : _____
Address : _____
Email ID : _____
Signature : _____
or
2. Name : _____
Address : _____
Email ID : _____
Signature : _____
or
3. 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 11th Annual General Meeting of the company, to be held on the Monday, 30th September, 2024 at 11:00 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 | To receive, consider, approve and adopt the Audited Financial Statement comprising of Balance sheet as at 31st March, 2024, 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. (Ordinary Resolution) | | |
| 2 | To appoint a director in place of Mr. Sunil Chothani (DIN: 06732173), who retires by rotation under the applicable provisions of the Companies Act, 2013 and being eligible offers himself for re-appointment. (Ordinary Resolution) | | |



CHOTHANI FOODS LIMITED
(ANNUAL REPORT 2023-24)

| | | | |
|---|---|--|--|
| 3 | To approve appointment of M/s. Gupta Rustagi & Co., Chartered Accountants as the Statutory Auditor to fill casual vacancy. (Ordinary Resolution) | | |
| 4 | To approve appointment of M/s. Gupta Rustagi & Co., Chartered Accountants.(Ordinary Resolution) | | |
| 5 | To consider and approve revision in remuneration to be paid to Mr. Neeraj Ashok Chothani (DIN: 06732169) Managing Director & CFO of the Company. (Special Resolution) | | |
| 6 | To consider and approve revision in remuneration to be paid to Mr. Sunil Chothani (DIN: 06732173) Whole Time Director of the Company (Special Resolution) | | |
| 7 | To consider and approve revision in remuneration to be paid to Mr. Ashok Chothani (DIN: 06732163) Director of the Company. (Special Resolution) | | |

.....
Signature of the Member

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

Please affix Re.
1/- Revenue
Stamp and
Sign

Note:

1. 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.
2. A proxy need not be a member of the Company.



CHOTHANI FOODS LIMITED
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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)

11th Annual General Meeting on Monday, 30th September, 2024

at 11:00 a.m. at the Office No. 408, B Wing, Dhamji Shamji Corporate Square, Laxmi Nagar, Ghatkopar East,
Mumbai - 400075.

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 **11th Annual General Meeting** of the Company being held on Monday, 30th September, 2024 at 11:00 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.



CHOTHANI FOODS LIMITED
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CHOTHANI FOODS LIMITED
CIN: L15122MH2014PLC252200

Regd. Office: OFFICE NO. 408, B WING, DHAMJI SHAMJI CORPORATE SQUARE, LAXMI NAGAR,
GHATKOPAR EAST, MUMBAI- 400075

BALLOT PAPER

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1) (c) of the Companies (Management and Administration) Rules, 2014]

11th Annual General Meeting

| | | | |
|----|---|---|--|
| 1. | Name(s) of Shareholder(s) (in block letters) including joint holders, (if any). | : | |
| 2. | Registered Folio No. / DP ID No. / Client ID No. | : | |
| 3. | Address | : | |
| 4. | No. of Equity Shares held | : | |

I/We hereby exercise my/ our vote in respect of the Ordinary Resolutions/Special Resolutions enumerated below and as set out in the Notice of 11th Annual General Meeting (AGM) of the Company scheduled on Monday, 30th September, 2024 by recording my/our assent or dissent to the said resolutions by placing tick (√) mark in the appropriate box below:

| Agenda Item No. | Description of Resolution | I/We assent to the resolution (Vote in Favour) | I/We dissent to the resolution (vote against) |
|-----------------|--|--|---|
| | | Place the tick (Place the tick [√] mark) | |
| 1. | To receive, consider, approve and adopt the Audited Financial Statement comprising of Balance sheet as at 31 st March, 2024, 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. (Ordinary Resolution) | | |
| 2. | To appoint a director in place of Mr. Sunil Chothani (DIN: 06732173), who retires by rotation under the applicable provisions of the Companies Act, 2013 and being eligible offers himself for re-appointment. (Ordinary Resolution) | | |
| 3. | To approve appointment of M/s. Gupta Rustagi & Co., Chartered Accountants as the Statutory Auditor to fill casual vacancy . (Ordinary Resolution) | | |
| 4. | To approve appointment of M/s. Gupta Rustagi & Co., Chartered Accountants as the Statutory Auditor. (Ordinary Resolution) | | |
| 5. | To consider and approve revision in remuneration to be paid to Mr. Neeraj Ashok Chothani (DIN: 06732169) Managing Director & CFO of the Company. (Special Resolution) | | |
| 6. | To consider and approve revision in remuneration to be paid to Mr. Sunil Chothani (DIN: 06732173) Whole Time Director of the Company. (Special Resolution) | | |



CHOTHANI FOODS LIMITED
(ANNUAL REPORT 2023-24)

| | | | |
|----|---|--|--|
| 7. | To consider and approve revision in remuneration to be paid to Mr. Ashok Chothani (DIN: 06732163) Director of the Company. (Special Resolution) | | |
|----|---|--|--|

Place:

Date:

Signature of the Member/Authorised Representative

Note: Please read the instructions given below carefully before exercising your vote.

INSTRUCTIONS

1. Please complete and sign the Ballot Form and put the same in the Ballot Box provided in the AGM Venue.
2. The Form should be signed by the Member as per the specimen signature registered with the Company/Depositories. In case of joint holding, the Form should be completed and signed by the first named Member and in his/her absence, by the next named joint holder. A Power of Attorney (POA) holder may vote on behalf of a Member, mentioning the registration number of the POA registered with the Company or enclosing an attested copy of POA. Exercise of vote by Ballot is not permitted through proxy.
3. In case of Company, trust, society etc. certified copy of Board Resolution authorizing representative must be registered or filed with us in advance to avoid any inconvenience.
4. Votes must be cast in case of each resolution by marking (√) mark in the appropriate column provided in the Ballot.
5. The voting rights of shareholders shall be in proportion of the shares held by them in the paid up equity share capital of the company.
6. Unsigned, incomplete, improperly filled ballot forms will not be counted for voting.
7. The decision of the Scrutinizer on the validity of the Ballot Form and any other related matter shall be final.
8. The results declared along with Scrutinizer's Report, shall be placed on the Company's website within two days of the passing of the Resolutions at the AGM of the Company, and communicated to the BSE Limited, where the shares of the Company are listed.

