Taaza International Ltd.
Plot No. 29, 1st Floor,
HACP Colony, Karkhana Road,
Secunderabad - 500 009, Telangana, INDIA.
Tel : +91 40 30 228 228 Fax : 918066885285

**ISIN**: INE392H01018

**Scrip Code:** 537392

To,

Date: 06.12.2020

BSE Limited
P.J.Towers, Dalal Street
Mumbai - 400001

Dear Sir/Madam,

Sub: Annual Report for the Financial Year 2019-2020.

Ref: Scrip Code 537392

With reference to the subject cited, pursuant to Regulation 34 of SEBI (LODR) Regulations 2015, we are herewith enclosing the 20th Annual Report for the Financial Year 2019-20.

This is for the information and records of the Exchange, please.

Thanking you.

Yours Faithfully,
For Taaza International Limited

P. Ravinder Rao
Managing Director
DIN: 01445527

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

| | | | |
|---|---|---|---|
| 1. Mr. P. Ravinder Rao | -- | Chairman & Managing Director | (DIN 01445527) |
| 2. Mr. G. V. Kamath | -- | Independent Director | (DIN 00333643) |
| 3. Mr. Y Satish Kumar | -- | Independent Director | (DIN 01310502) |
| 4. Mrs. D VanajaKumari | -- | Independent Director | (DIN 07151205) |
| 5. Mr. Mohammed Sadiq Khan | -- | Independent Director | (DIN 08210187) |
| 6. Mr. Akilurahaman Khan | -- | Independent Director | (DIN 08460144) |
| 7. Ms. Pilla Vijayalakshmi | -- | Additional Director | (DIN: 01991711) |

**Company Secretary** : Ms. Ankita Khataur Maheswari
(Appointed w.e.f 05.12.2020)

**CFO** : Mr D. Srinivas

### REGISTERED OFFICE

Plot No. 29, HACP Colony,
Kharkhana Road,
Secunderabad, Telangana – 500009.
Ph No 040-30228228

### STATUTORY AUDITORS

**V Ravi & Co**
Chartered Accountants
Hyderabad.

### BANKERS

**Bank of Maharashtra,** Secunderabad
**HDFC,** Pet Basheerabad
**State Bank of India,** Tellapu Branch
**HSBC,** Begumpet

### AUDIT COMMITTEE

| | | |
|---|---|---|
| Mr. G V Kamath | - | Chairman |
| Mrs. D Vanaja Kumari | - | Member |
| Mr. Y Satish Kumar | - | Member |

### NOMINATION & REMUNERATION COMMITTEE

| | | |
|---|---|---|
| Mr. Y Satish Kumar | - | Chairman |
| Mr. G V Kamath | - | Member |
| Mr. Akilurahaman Khan | - | Member |

**STAKEHOLDERS RELATIONSHIP COMMITTEE**

| | | |
|---|---|---|
| Mr. G V Kamath | - | Chairman |
| Mr. Akilurahaman Khan | - | Member |
| Mr. Y Satish Kumar | - | Member |

**RISK MANAGEMENT COMMITTEE**

| | | |
|---|---|---|
| Mr. G V Kamath | - | Member |
| Mr. Y Satish Kumar | - | Chairman |
| Mr. Akilurahaman Khan | - | Member |

**INDEPENDENT DIRECTORS**

| | | |
|---|---|---|
| Mr. G V Kamath | - | Member |
| Mr. Y Satish Kumar | - | Chairman |
| Mrs. D Vanaja Kumari | - | Member |

**REGISTRAR & SHARE TRANSFER AGENTS**

M/s. Niche Technologies Pvt. Ltd.
D-511,5th Floor, Bagree Market,
71, Biplabi Rash Behari Basu Road
(Formerly Canning Street)
Kolkata-700001

| | | |
|---|---|---|
| **LISTED AT** | : | BSE Limited |
| **ISIN** | : | INE392H01018 |
| **WEBSITE** | : | www.taazastores.com |
| **INVESTOR E-MAIL ID** | : | info@taazastores.com |
| **CORPORATE IDENTITY NUMBER** | : | L51109TG2001PLC072561 |

# NOTICE

NOTICE is hereby given that the 20th Annual General Meeting of the Members of Taaza International Limited will be held on Monday, the 28th day of December, 2020 at 10:00 a.m. through Video Conferencing / Other Audio Visual Means (OAVM) to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2020 and the Statement of Profit and Loss for the year ended as on that date along with Cash Flow Statement and notes appended thereto (including the consolidated financial statements) together with the Directors' Report and Auditors' Report thereon.

2. To appoint a Director in the place of Mr. P. Ravinder Rao (DIN: 01445527), who retires by rotation and being eligible, offers himself for re-appointment.

**SPECIAL BUSINESS**

**3. RE-APPOINTMENT OF MRS. VANAJA KUMARI DOKIPARTHI (DIN: 07151205) AS INDEPENDENT DIRECTOR OF THE COMPANY:**

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

"RESOLVED THAT pursuant to the provisions of Sections 149,150,152,160 and Schedule IV and other applicable provisions if any, of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof for the time being in force, Articles of Association of the Company, and pursuant to recommendation of the Nomination and Remuneration Committee and the Board of Directors, the approval of the Members of the Company be and is hereby accorded for re-appointment of Mrs. Vanaja Kumari Dokiparthi (DIN: 07151205) whose current period of office expires on 29th September 2020 and who has submitted a declaration confirming the criteria of Independence under Section 149(6) of the Companies Act, 2013 read with the Listing Regulations, as amended from time to time, and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013, Rules made thereunder and Listing Regulations and whose term shall not be subject to retirement by rotation, to hold office for a term of 5 (five) consecutive years on the Board of the Company w.e.f. 30th September, 2020 up to 29th September, 2025."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to approve the terms and conditions and to do all such acts, deeds, matters and things as may be considered necessary, appropriate and desirable to give effect to the resolution."

**4. APPOINTMENT OF MS. PILLA JAYALAKSHMI AS INDEPENDENT DIRECTOR OF THE COMPANY**

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 of the Companies Act, 2013 and Rules made their under, Ms. Pilla Jayalakshmi (DIN: 01991711) who was appointed as

'Additional Director' in the category of Non- Executive Independent Director in the Board of the Company on 05.12.2020 and pursuant to the provisions of Section 161 (1) of the Companies Act, 2013 ("the Act") read with Articles of Association of the Company, and whose term of office expires at the ensuing Annual General Meeting of the Company or the last date on which the Annual General Meeting would have been held, whichever is earlier and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Pilla Jayalakshmi (DIN: 01991711) as a candidate for the office of a Director of the Company who meets the criteria of Independence as provided under Section 149(6) of the Companies Act, 2013, be and is hereby appointed as Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (Five) consecutive years commencing from 05th December, 2020 to 04th December, 2025.

"RESOLVED FURTHER THAT the Board be and is hereby authorized to approve the terms and conditions and to do all such acts, deeds, matters and things as may be considered necessary, appropriate and desirable to give effect to the resolution."

For and on behalf of the Board

**Taaza International Limited**

Sd/-

**P Ravinder Rao**

Chairman & Managing Director

DIN: 01445527

Place : Secunderabad

Date : 05.12.2020

**NOTES:**

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. The attendance of the Members (members logins) attending the e-AGM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.taazastores.com
7. The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
8. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business in the Notice is annexed hereto and forms part of this Notice.
9. 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 AGM.

10. Shareholders holding shares in physical form may write to the company/company's R&T agents for any change in their address/bank mandate; shareholders holding shares in electronic form may inform the same to their depository participants immediately, where applicable.
11. The Register of Members and Share Transfer books of the company will remain closed from 22.12.2020 to 28.12.2020 (both days inclusive).
12. Corporate Members are requested to send to the Company's Registrar & Transfer Agent, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
13. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Share Transfer Agents **(M/s. Niche Technologies Private Ltd)**
14. Members holding shares in the same name under different ledger folios are requested to apply for consolidation of such folios and send the relevant share certificates to **M/s. Niche Technologies Private Ltd** Share Transfer Agents of the Company for doing the needful.
15. Since securities of the Company are traded compulsorily in dematerialized form as per SEBI mandate, members holding shares in physical form are requested to get their shares dematerialized at the earliest.
16. Members are requested to send their queries at least 10 days before the date of meeting so that information can be made available at the meeting.
17. In respect of shares held in physical mode, all shareholders are requested to intimate changes, if any, in their registered address immediately to the registrar and share transfer agent of the company and correspond with them directly regarding share transfer/transmission / transposition, Demat / Remat, change of address, issue of duplicate shares certificates, ECS and nomination facility.
18. In terms of Section 72 of the Companies Act, 2013, a member of the company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Members desirous of availing this facility may submit nomination in prescribed Form-SH-13 to the company/RTA in case shares are held in physical form, and to their respective depository participant, if held in electronic form.
19. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories.
20. Members may also note that the Notice of the 20th Annual General Meeting and the Annual Report for 2019 - 20 will also be available on the Company's website www.taazastores.com for their download. For any communication, the shareholders may also send requests to the Company's investor email id: info@taazastores.com
21. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
22. Instructions for e-voting and joining the AGM are as follows:

**THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:**

I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by

Central Depository Services (India) Limited (CDSL) on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below.

II. The remote e-voting period commences on 25th day, December 2020 (9:00 a.m. IST) and ends on 27th day, December, 2020 (5:00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on 21st day, December, 2020 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

III. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

IV. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.

V. The details of the process and manner for remote e-voting are explained herein below:

(i) The shareholders should log on to the e-voting website www.evotingindia.com.

(ii) Click on Shareholders tab.

(iii) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(iv) Next enter the Image Verification as displayed and Click on Login.

(v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vi) If you are a first time user follow the steps given below:

| | **For Members holding shares in Demat Form and Physical Form** |
|---|---|
| PAN | Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)<br>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.<br>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. |
| Dividend Bank Details | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. |
| OR Date of Birth (DOB) | • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv). |

(vii) After entering these details appropriately, click on "SUBMIT" tab.

(viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(x) Click on the EVSN for the relevant <Taaza International Limited> on which you choose to vote.

(xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

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

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

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

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

(xvii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

**B. INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:**

(i) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.

(ii) Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

(iii) If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**C. NOTE FOR NON – INDIVIDUAL SHAREHOLDERS AND CUSTODIANS:**

(i) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.

(ii) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

(iii) After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

(iv) The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

(v) A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(vi) Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at the email address viveksurana24@gmail.com and to the Company at the email addressviz; info@taazastores.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**D. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING:**

(i) For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/ RTA email id.

(ii) For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to Company/RTA email id.

(iii) The company/RTA shall co-ordinate with CDSL and provide the login credentials to the above mentioned shareholders.

**E. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

(i) Shareholder will be provided with a facility to attend the EGM/AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at https://www.evotingindia.com under shareholders/members login by using the remote e-voting credentials. The link for VC/ OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.

(ii) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

(iii) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during themeeting.

(iv) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at company email id viz; info@taazastores.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.

(v) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

1. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or call 1800225533.

   All grievances connected with the facility for voting by electronic means may be addressed to Mr. Shiva Prasad Venishetty, Senior Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call 1800225533.

23. SEBI has decided that securities of the listed companies can be transferred only in dematerialized form which effective from 05.12.2018. In view of the above and to avail various benefits of dematerialization, members are advised to dematerialize shares held by them in physical form.

24. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 21.12.2020.

25. M/s. Vivek Surana & Associates, Practicing Company Secretaries, has been appointed as the Scrutinizer to scrutinize the e-voting process in accordance with the law.The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of 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 authorised by him in writing, who shall countersign the same. The Results shall be declared on or after the AGM of the Company.

26. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of CDSL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.

27. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively), has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. Members are requested to support this green initiative by registering/uploading their email addresses, in respect of shares held in dematerialized form with their respective Depository Participant and in respect of shares held in physical form with the Company's Registrar and Share Transfer Agents.

For and on behalf of the Board
**Taaza International Limited**
Sd/-
**P Ravinder Rao**
Chairman & Managing Director
DIN: 01445527

Place : Secunderabad
Date : 05.12.2020

## ANNEXURE TO THE NOTICE

## EXPLANATORY STATEMENT

**ITEM NO.3:**

Mrs. Vanaja Kumari Dokiparthi (DIN: 07151205) was appointed as Independent Director of the Company for a period of 5 years i.e. upto 29.09.2020 at the 15th Annual General Meeting held on 30.09.2015.

Mrs. Vanaja Kumari Dokiparthi term as an Independent Director of the company has ended on 29.09.2020. The Board in its meeting held on 12.09.2020 has approved for the reappointment subject to the approval of the shareholders. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mrs. Vanaja Kumari Dokiparthi being eligible offers herself for re-appointment as an Independent Director for five consecutive years w.e.f. 30.09.2020 to 29.09.2025. The Company has received a notice from a member under Section 160 of the Companies Act 2013 for reappointment of Mrs. Vanaja Kumari Dokiparthi for the office of Director in Independent category.

In the opinion of the Board, Mrs. Vanaja Kumari Dokiparthi fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for her appointment as an Independent Director of the Company. The Board considers that her continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mrs. Vanaja Kumari Dokiparthi as an Independent Director.

Accordingly the Board of Directors recommends the passing of the above resolution as Special Resolution set out in the item no. 3 of the notice for appointment of Mrs. Vanaja Kumari Dokiparthi.

Save and except Mrs. Vanaja Kumari Dokiparthi Independent Director, being an appointee, none of the other Directors/Key Managerial Personnel and their relatives is in any way interested or concerned financially or otherwise, in the Resolution set out in the notice.

**ITEM NO. 4:**

**APPOINTMENT OF MS. PILLA JAYALAKSHMI AS INDEPENDENT DIRECTOR OF THE COMPANY**

Ms. Pilla Vijayalakshmi was appointed as Additional Director on 05th December, 2020 in terms of Section 161 (1) of the Companies Act, 2013 in the category of 'Non-Executive Independent' in terms of the Companies Act, 2013, an Additional Director shall hold office up to the date of the ensuing Annual General Meeting of the Company or the last date on which annual general meeting should have been held, whichever is earlier and be eligible for appointment to the office of a Director at General Meeting in terms of Section 160 of the Companies Act, 2013. The Company has received a notice from a member under Section 160 of the Companies Act 2013, for appointment of Ms. Pilla Vijayalakshmi for the office of Director in Independent category.

In order to ensure compliance with the provisions of Sections 149 and 152 of the Companies Act, 2013 read with Rules made there under and Schedule IV of the Act, it is proposed that approval of the shareholders be accorded for the appointment of Ms. Pilla Vijayalakshmi as 'Non-executive Independent Director' for a term up to 5 consecutive years commencing from the date of his appointment as Additional Director i.e. 05th December, 2020 to 04th December, 2025.

Accordingly the Board of Directors recommends the passing of the above resolution as an Ordinary Resolution set out in the item no. 4 of the notice for appointment of Ms. Pilla Vijayalakshmi.

Save and except Ms. Pilla Vijayalakshmi, Independent Director, being an appointee, none of the other Directors/Key Managerial Personnel and their relatives is in any way interested or concerned financially or otherwise, in the Resolution set out in the notice.

For and on behalf of the Board
**Taaza International Limited**
Sd/-
**P Ravinder Rao**
Chairman & Managing Director
DIN: 01445527

Place : Secunderabad
Date : 05.12.2020

- As required under regulation 36 (3) of the SEBI (LODR), Regulations, 2015, brief particulars of the Directors seeking appointment/re-appointment are given as under:-:
-

| **Name of the Director** | **Ms. Pilla Jayalakshmi** | **P. RavinderRao** | **Mrs. D. Vanaja Kumari** |
|---|---|---|---|
| Date of Birth | 20.11.1984 | 05.05.1965 | 07.09.1970 |
| Qualification | Graduate | Graduate | Doctor |
| Expertise in specific functional areas | Technical | Management & Administration | Management |
| Names of listed entities in which the person also holds the directorship and the membership of Committees of the board | -- | NIL | Arunjyotib Bioventures Limited<br><br>Grandma Trading Agencies Limited |
| No. of Shares held in the Company | -- | 16,73,835 | -- |
| Inter se relationship with any Director | -- | NIL | NIL |

## DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the Directors' Report and the Audited Statement of Accounts of the Company for the Financial Year ended 31st March 2020.

**1. FINANCIAL SUMMARY/HIGHLIGHTS, OPERTAIONS STATE OF AFFAIRS:**

The performance of the Company during the year has been as under:

Rs. in lakhs

| Particular | Standalone | | Consolidated | |
|---|---|---|---|---|
| | 2019-2020 | 2018-2019 | 2019-2020 | 2018-2019 |
| Total Income | 122.62 | 707.63 | 136.18 | 782.25 |
| Total Expenditure | 164.23 | 974.28 | 205.26 | 1195.83 |
| Profit Before Tax | (41.61) | (266.00) | (69.08) | (413.58) |
| Exceptional Items | 47.92 | - | 47.92 | - |
| Provision for Tax | 1.19 | 0.99 | 1.19 | 1.27 |
| Profit after Tax | (88.34) | (265.01) | (115.81) | (412.31) |
| Minority Interest | -- | -- | (2.75) | (0.75) |
| Other Comprehensive Income | -- | -- | -- | -- |
| Total Comprehensive Income | (88.34) | (265.01) | (113.06) | (411.56) |
| Earning per Equity Share-Basic & Diluted (in Rs.) | (1.22) & (1.22) | (3.65) & (3.65) | (1.56) & (1.56) | (5.67)& (5.67) |

**REVIEW OF OPERATIONS:**

**Standalone:** Your Company during the year under review has achieved sales and other income of Rs.122.62 Lakhs and net loss of Rs. 88.34 as compared to sales and other income of Rs.707.63 Lakhs and net loss of Rs.265.01 achieved in the previous financial year.

**Consolidated:** Your Company during the year under review has achieved sales and other income (consolidated) of Rs.136.18 Lakhs and net loss of Rs.115.81 lakhs as compared to sales and other income (consolidated) of Rs.782.25 Lakhs and net loss of Rs.413.58 lakhs achieved in the previous financial year.

**2. IMPACT OF COVID -19**

The Company doesnot have any major Impact of Covid -19.

**3. CHANGE IN THE NATURE OF THE BUSINESS, IF ANY:**

During the period under review and the date of Board's Report there was no change in the nature of Business (21.07.2020)

**4. RESERVES**

During the year your Company has not transferred any amount to General Reserve Account.

**5. DIVIDEND**

Keeping the Company's expansion and growth plans in mind, your directors have decided not to recommend dividend for the year.

**6. UNPAID / UNCLAIMED DIVIDEND:**

There is no unpaid or unclaimed dividend with the company.

**7. CONSOLIDATED IND AS FINANCIAL STATEMENTS:**

In compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the 'Listing Regulations') and Section 129 of the Companies Act, 2013, the Consolidated Financial Statements which have been prepared by the Company in accordance with the applicable provisions of the Companies Act, 2013 and the applicable Indian Accounting Standards (Ind AS) forms part of this Annual Report.

**8. MATERIAL CHANGES & COMMITMENT AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

There are no major material changes and commitments affecting the financial position of the Company after the end of the financial year and up to date of this report. (21.07.2020)

**9. BOARD MEETINGS:**

The Board of Directors duly met six (6) times during the financial year from 1st April 2019 to 31st March 2020. The dates on which the meetings were held are 30.05.2019, 07.06.2019, 31.07.2019, 13.08.2019, 14.11.2019 and 11.02.2020.

**10. REVISION OF FINANCIAL STATEMENTS:**

There was no revision of the financial statements for the year under review.

**11. APPOINTMENT / RE-APPOINTMENT / RESIGNATION / RETIREMENT OF DIRECTORS / CEO/ CFO AND KEY MANANGERIAL PERSONNEL:**

- Mr. Mohammed Sadiq Khan and Mr. Akilurahaman Khan were appointed as Addintional Director (Independent- Non- Executive) of the Company with effect from 07.06.2019 and were regularized in the Annual General Meeting held on 30.09.2019.
- Mr. K. Appalla Narsimha Raju was resigned as Whole-time Director and CFO of the Company with effect from 07.06.2019.
- Mr. N. Venugopal was resigned as Non-Executive Director of the Company with effect from 07.06.2019.
- Mr. D. Srinivas was appointed as CFO of the Company with effect from 07.06.2019.
- Mr. P. Ravinder Rao who retires by rotation, being eligible offers himself for re-appointment.

**12. DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS:**

The Company has received declarations from Mr. G V Kamath, Mr. Y Satish Kumar, Mrs. D. Vanaja Kumari, Mr. Mohammed Sadiq Khan and Mr. Akilurahaman Khan Independent Directors of the Company to the effect that they are meeting the criteria of independence as provided in Sub-Section (6) of Section 149 of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Independent Directors have also confirmed that they have complied Company's Code of Conduct.

In terms of Regulations 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

**13. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS:**

Independent Directors are familiarized about the Company's operations and businesses. Interaction with the Business heads and key executives of the Company is also facilitated. Detailed presentations

on important policies of the Company is also made to the directors. Direct meetings with the Chairman is further facilitated to familiarize the incumbent Director about the Company/its businesses and the group practices.

The details of familiarisation programme held in FY 2019-20 are also disclosed on the Company's website at https://www.taazastores.com.

**14. POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION AND OTHER DETAILS:**

The assessment and appointment of Members to the Board is based on a combination of criterion that includes ethics, personal and professional stature, domain expertise, gender diversity and specific qualification required for the position. The potential Board Member is also assessed on the basis of independence criteria defined in Section 149(6) of the Companies Act, 2013 and Regulation 27 of SEBI (LODR) Regulations, 2015.

In accordance with Section 178(3) of the Companies Act, 2013 and Regulation 19(4) of SEBI (LODR) Regulations, 2015, on the recommendations of the Nomination and Remuneration Committee, the Board adopted a remuneration policy for Directors, Key Management Personnel (KMPs) and Senior Management. The Policy is included in the Directors Report elsewhere.

**15. NON-EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES:**

None of the Independent / Non-Executive Directors has any pecuniary relationship or transactions with the Company which in the Judgment of the Board may affect the independence of the Directors.

**16. COMPOSITION OF COMMITTEES :**

AUDIT COMMITTEE : (Audit Committee constituted in terms of sec. 177 of Companies Act, 2013 read with reg. 18 of SEBI (LODR) Regulations, 2015)

**A. BRIEF DESCRIPTION OF TERMS OF REFERENCE:**

**The terms of reference of the Audit Committee encompasses the requirements of Section 177 of Companies Act, 2013 and as per Regulation 18 of SEBI (LODR) Regulations, 2015 and interalia, includes**

1. Over view of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement reflects a true and fair position and that sufficient and credible information is disclosed.
2. Recommending the appointment and removal of statutory auditors, internal auditors and cost auditors, fixation of their audit fees and approval for payment of any other services.
3. Discussion with external auditors before the audit commences, of the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
4. Reviewing the financial statement and draft audit report, including quarterly/half yearly financial information.
5. Reviewing with the management the annual financial statements before submission to the Board, focusing primarily on:
    i) Any changes in accounting policies and practices.
    ii) Major accounting entries based on excises of judgment by the management.
    iii) Qualifications in draft audit report.
    iv) Significant adjustment arises out of audit.

v) The going concern assumption.

vi) Compliance with accounting standards, stock exchange and legal requirement concerning financial statements.

vii) Review and approval of related party transactions.

6. Reviewing the company's financial and risk management's policies.
7. Disclosure of contingent liabilities.
8. Reviewing with management, external and internal auditors, the adequacy of internal control systems.
9. Reviewing the adequacy of internal audit function, including the audit character, the structure of the internal audit department, approval of the audit plan and its execution, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
10. Discussion with internal auditors of any significant findings and follow-up thereon.
11. Reviewing the findings of any internal investigations by the internal auditors into the matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
12. Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
13. Reviewing compliances as regards the Company's Whistle Blower Policy.
14. Review and monitor the end use of funds raised through public offers and related matters;
15. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
16. Frame and review policies in relation to implementation of the Code of Conduct for Prevention of Insider Trading and supervise its implementation under the overall supervision of the Board;
17. Discharge such duties and functions as indicated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act, 2013 and the rules made thereunder from time to time.
18. reviewing the utilization of loans and / or advances from / investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

**B. COMPOSITION, MEETINGS & ATTENDANCE**

There were four (4) Audit Committee Meetings held during the year on 30.05.2019, 13.08.2019, 14.11.2019 and 11.02.2020.

| Name | Designation | Category | No. of Meetings held | No. of Meetings attended |
|---|---|---|---|---|
| Mr. G V Kamath | Chairman | NED(I) | 4 | 4 |
| Mr.D VanajaKumari | Member | NED(I) | 4 | 4 |
| Mr.Y Satish Kumar | Member | NED(I) | 4 | 4 |

**NED (I): Non Executive Independent Director**

**C.** The previous Annual General Meeting of the Company was held on 30.09.2019 and Chairman of the Audit Committee, attended previous AGM.

**NOMINATION & REMUNERATION COMMITTEE**

The terms of reference of the Nomination and Remuneration committee constituted in terms of Section 178 of Companies Act, 2013 and as per Regulation 19 of SEBI (LODR) Regulations, 2015 are as under:

**A. BRIEF DESCRIPTION OF TERMS OF REFERENCE**

- To approve the fixation/revision of remuneration of Executive Directors of the Company and while approving:
  a. To take into account the financial position of the Company, trend in the industry, appointee's qualification, experience, past performance, past remuneration etc.
  b. To bring out objectivity in determining the remuneration package while striking a balance between the interest of the Company and the Shareholders.
- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and /or removal.
- To carry out evaluation of every Director's performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.
- Oversee the performance review process for the KMP and executive team with the view that there is an appropriate cascading of goals and targets across the Company.
- Recommend the Remuneration Policy for the Directors, KMP, executive team and other employees.
- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- Recommend to the board, all remuneration, in whatever form, payable to senior management.
- On an annual basis, recommend to the Board the remuneration payable to Directors, KMP and executive team of the Company.
- Review matters related to remuneration and benefits payable upon retirement and severance to MD/EDs, KMP and executive team.
- Review matters related to voluntary retirement and early separation schemes for the Company.
- Provide guidelines for remuneration of Directors on material subsidiaries.
- Recommend to the Board how the Company will vote on resolutions for remuneration of Directors on the Boards of its material subsidiaries.
- Assist the Board in fulfilling its corporate governance responsibilities relating to remuneration of the Board, KMP and executive team members.
- Oversee familiarization programmes for Directors.
- Review HR and People strategy and its alignment with the business strategy periodically, or when a change is made to either.
- Review the efficacy of HR practices, including those for leadership development, rewards and recognition, talent management and succession planning.
- Perform other activities related to the charter as requested by the Board from time to time

**B. COMPOSITION OF THE COMMITTEE, MEETINGS & ATTENDANCE**

There were Three Nomination and Remuneration Committee Meetings held during the financial year on 07.06.2019, 31.07.2019 and 11.02.2020

| Name | Designation | Category | No. of Meetings held | No. of Meetings attended |
|---|---|---|---|---|
| Mr. Y Satish Kumar | Chairman | NED(I) | 3 | 3 |
| Mr. G V Kamath | Member | NED(I) | 3 | 3 |
| Mr. Akilurrahman Khan | Member | NED(I) | 3 | 3 |

**NED (I):** Non Executive Independent Director

**Remuneration Policy:**

The objectives of the remuneration policy are to motivate Directors to excel in their performance, recognize their contribution and retain talent in the organization and reward merit.

The remuneration levels are governed by industry pattern, qualifications and experience of the Directors, responsibilities shouldered, individual performance etc.

No remuneration is paid to any of the director

None of the Directors is drawing any Commission, Perquisites, Retirement benefits etc.,

**POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS' INDEPENDENCE**

**1. Scope:**

This policy sets out the guiding principles for the Nomination & Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent Directors of the Company.

**2. Terms and References:**

2.1 "Director" means a director appointed to the Board of a Company.

1.2 "Nomination and Remuneration Committee means the committee constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and reg. 19 of SEBI (Listing Obligation and Disclosure Requirement), Regulations, 2015.

2.3 "Independent Director" means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.

**3. Policy:**

**Qualifications and criteria**

3.1.1 The Nomination and Remuneration Committee, and the Board, shall review on annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a board with diverse background and experience that are relevant for the Company's operations.

3.1.2 In evaluating the suitability of individual Board member the NR Committee may take into account factors, such as:

General understanding of the company's business dynamics, global business and social perspective;

Educational and professional background

Standing in the profession;

Personal and professional ethics, integrity and values;

Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

3.1.3 The proposed appointee shall also fulfil the following requirements:

shall possess a Director Identification Number;

shall not be disqualified under the Companies Act, 2013;

shall Endeavour to attend all Board Meeting and Wherever he is appointed as a Committee Member, the Committee Meeting;

shall abide by the code of Conduct established by the company for Directors and senior Management personnel;

shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;

Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013, SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 and other relevant laws.

3.1.4 The Nomination & Remuneration Committee shall evaluate each individual with the objective of having a group that best enables the success of the company's business.

**3.2 Criteria of independence**

3.2.1 The Nomination & Remuneration Committee shall assess the independence of Directors at time of appointment/ re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interest or relationships are disclosed by a Director.

3.2.2 The criteria of independence shall be in accordance with guidelines as laid down in Companies Act, 2013 and reg. 16(1) (b) of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.

3.2.3 The Independent Director shall abide by the "Code for Independent Directors "as specified in Schedule IV to the companies Act, 2013.

1.3 Other Directorships/ Committee Memberships

3.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as Director of the company. The NR Committee shall take into account the nature of, and the time involved in a Director service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

3.3.2 A Director shall not serve as director in more than 20 companies of which not more than 10 shall be public limited companies.

3.3.3 A Director shall not serve an independent Director in more than 7 listed companies and not more than 3 listed companies in case he is serving as a whole-time Director in any listed company.

3.3.4 A Director shall not be a member in more than 10 committee or act chairman of more than 5 committee across all companies in which he holds directorships.

For the purpose of considering the limit of the committee, Audit committee and stakeholder's relationship committee of all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies and companies under section 8 of the Companies Act, 2013 shall be excluded.

**Remuneration policy for Directors, key managerial personnel and other employees**

**1. Scope:**

1.1 This policy sets out the guiding principles for the Nomination and Remuneration committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the company.

**2. Terms and Reference:**

In this policy the following terms shall have the following meanings:

2.1 **"Director"** means a Director appointed to the Board of the company.

2.2 **"key managerial personnel"** means

(i) The Chief Executive Office or the managing director or the manager;
(ii) The company secretary;
(iii) The whole-time director;
(iv) The chief finance Officer; and
(v) Such other office as may be prescribed under the companies Act, 2013

2.3 "Nomination and Remuneration Committee" means the committee constituted by Board in accordance with the provisions of section 178 of the companies Act, 2013 and reg. 19 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.

**3. Policy:**

**3.1 Remuneration to Executive Director and Key Managerial Personnel**

3.1.1 The Board on the recommendation of the Nomination and Remuneration (NR) committee shall review and approve the remuneration payable to the Executive Director of the company within the overall approved by the shareholders.

3.1.2 The Board on the recommendation of the NR committee shall also review and approve the remuneration payable to the key managerial personnel of the company.

3.1.3 The Remuneration structure to the Executive Director and key managerial personnel shall include the following components:

(i) Basic pay
(ii) Perquisites and Allowances
(iii) Commission (Applicable in case of Executive Directors)
(iv) Retirement benefits
(v) Annual performance Bonus

3.1.4 The Annual plan and Objectives for Executive committee shall be reviewed by the NR committee and Annual performance Bonus will be approved by the committee based on the achievement against the Annual plan and Objectives.

**3.2 Remuneration to Non – Executive Directors**

3.2.1 The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the remuneration payable to the Non – Executive Directors of the Company within the overall limits approved by the shareholders as per provisions of the companies act.

3.2.2 Non – Executive Directors shall be entitled to sitting fees attending the meetings of the Board and the Committees thereof..

**3.3. Remuneration to other employees**

3.3.1. Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

**C. REMUNERATION POLICY:**

The objectives of the remuneration policy are to motivate Directors to excel in their performance, recognize their contribution and retain talent in the organization and reward merit.

The remuneration levels are governed by industry pattern, qualifications and experience of the Directors, responsibilities shouldered and individual performance.

**POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS' INDEPENDENCE:**

**1. Scope:**

This policy sets out the guiding principles for the Nomination & Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent Directors of the Company.

**2. Terms and References:**

2.1 **"Director"** means a Director appointed to the Board of a Company.

2.2 **"Nomination and Remuneration Committee** means the committee constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2.3 **"Independent Director"** means a Director referred to in sub-Section (6) of Section 149 of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**3. Policy:**

**Qualifications and criteria**

3.1.1 The Nomination and Remuneration Committee, and the Board, shall review on annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a board with diverse background and experience that are relevant for the Company's operations.

3.1.2 In evaluating the suitability of individual Board member the NR Committee may take into account factors, such as:

General understanding of the Company's business dynamics, global business and social perspective;

Educational and professional background

Standing in the profession;

Personal and professional ethics, integrity and values;

Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

3.1.3 The proposed appointee shall also fulfill the following requirements:

shall possess a Director Identification Number;

shall not be disqualified under the companies Act, 2013;

shall Endeavour to attend all Board Meeting and Wherever he is appointed as a Committee Member, the Committee Meeting;

shall abide by the code of Conduct established by the Company for Directors and senior Management personnel;

shall disclose his concern or interest in any Company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;

Such other requirements as any prescribed, from time to time, under the companies Act, 2013, Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other relevant laws.

3.1.4 The Nomination & Remuneration Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

**3.2 Criteria of Independence**

3.2.1 The Nomination & Remuneration Committee shall assess the independence of Directors at time of appointment/ re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interest or relationships are disclosed by a Director.

3.2.2 The criteria of independence shall be in accordance with the guidelines as laid down in Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

An independent Director in relation to a Company, means a Director other than a managing Director or a whole-time Director or a nominee Director-

a. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;

b. (i) who is or was not a promoters of the Company or its holding, subsidiary or associate Company;

(ii) who is not related to promoters or Directors of the Company its holding, subsidiary or associate Company

c. who has or had no pecuniary relationship with the Company, its holding, subsidiary or associate Company, or their promoters, or Director, during the two immediately preceding financial year or during the current financial year;

d. none of whose relative has or had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate Company, or their promoters, or Directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial year or during the current finance year;

e. who, neither himself nor any of his relative-

(i) Holds or has held the position of a key managerial personnel or is or has been employee of the or associate Company in any of the three finance years immediately preceding the finance

year in which he is proposed to be appointed;

(ii) Is or has been an employee or proprietor or a partner, in any of the three finance year immediately preceding the financial year in which he is proposed to be appointed of-

(A) a firm of auditors or Company secretaries in practice or cost auditors of the Company or its holding, subsidiary or associate Company; or

(B) any legal or a consulting firm that has or had any transaction with the Company, its holding subsidiary or associate Company amounting to ten per cent or more of the gross turnover of more of the gross turnover of such firm;

(i) holds together with his relatives two per cent or more of the total voting power of the Company; or

(ii) is a chief Executive or Director, by whatever name called, of any non-profit organization that receives twenty-five per cent or more of its receipt from the Company any of its promoters, Directors or its holding subsidiary or associate Company or that holds two per cent or more of the total voting power of the Company; or

(iii) is a material supplier, service provider or customer or a lesser or lessee of the Company.

f. Shall possess appropriate skills experience and knowledge in one or more field of finance, law management, sales, marketing administration, research, corporate governance, technical operations, corporate social responsibility or this disciplines related to the Company's business.

g. Shall possess such other qualifications as may be prescribed from time to time, under the Companies Act, 2013.

h. who is not less than 21 years of age

3.2.3 The independent Director shall abide by the "code for independent Directors "as specified in Schedule IV to the companies Act, 2013.

**3.3 Other Directorships/ Committee Memberships**

3.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance Accordingly, members should voluntarily limit their Directorships in other listed public limited companies in such a way that it does not interfere with their role as Director of the Company. The NR Committee shall take into account the nature of, and the time involved in a director service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

3.3.2 A Director shall not serve as Director in more than 20 companies of which not more than 10 shall be public limited companies.

3.3.3 A Director shall not serve an independent Director in more than 7 listed companies and not more than 3 listed companies in case he is serving as a whole-time Director in any listed Company.

3.3.4 A Director shall not be a member in more than 10 committee or act as chairman of more than 5 committee across all companies in which he holds Directorships.

For the purpose of considering the limit of the committee, Audit committee and stakeholder's relationship committee of all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies and companies under Section 8 of the companies Act, 2013 shall be excluded.

**Remuneration policy for Directors, key managerial personnel and other employees:**

The objectives of the remuneration policy are to motivate Directors to excel in their performance,

recognize their contribution and retain talent in the organization and reward merit.

The remuneration levels are governed by industry pattern, qualifications and experienceof the Directors, responsibilities shouldered and individual performance.

**Remuneration policy for Directors, key managerial personnel and other employees**

**1. Scope:**

1.1 This policy sets out the guiding principles for the Nomination and Remuneration committee for recommending to the Board the remuneration of the Directors, key managerial personnel and other employees of the Company.

**2. Terms and Reference:**

In this policy the following terms shall have the following meanings:

2.1 **"Director"** means a Director appointed to the Board of the Company.

2.2 **"key managerial personnel"** means

(i) The Chief Executive Officer or the managing Director or the manager;

(ii) The Company Secretary;

(iii) The Whole-time Director;

(iv) The Chief Financial Officer; and

(v) Such other office as may be prescribed under the companies Act, 2013

2.3 "Nomination and Remuneration committee" means the committee constituted by Board in accordance with the provisions of Section 178 of the companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**3. Policy:**

3.1 Remuneration to Executive Director and key managerial personnel

3.1.1 The Board on the recommendation of the Nomination and Remuneration (NR) committee shall review and approve the remuneration payable to the Executive Director of the Company within the overall approved by the shareholders.

3.1.2 The Board on the recommendation of the NR committee shall also review and approve the remuneration payable to the key managerial personnel of the Company.

3.1.3 The remuneration structure to the Executive Director and key managerial personnel shall include the following components:

(i) Basic pay

(ii) Perquisites and Allowances

(iii) Stock Options

(iv) Commission (Applicable in case of Executive Directors)

(v) Retrial benefits

(vi) Annual performance Bonus

3.1.4 The Annual plan and Objectives for Executive committee shall be reviewed by the NR committee and Annual performance bonus will be approved by the committee based on the achievement against the Annual plan and Objectives.

**3.2 Remuneration to Non – Executive Directors**

3.2.1 The Board, on the recommendation of the NR Committee, shall review and approve the remuneration payable to the Non – Executive Directors of the Company within the overall limits approved by the shareholders as per the provisions of the Companies Act.

3.2.2 Non – Executive Directors shall be entitled to sitting fees attending the meetings of the Board and the Committees thereof. The Non- Executive Directors shall also be entitled to profit related commission in addition to the sitting fees.

**3.3. Remuneration to other employees**

3.3.1. Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

**D. MECHANISM FOR EVALUATION OF THE BOARD**

Evaluation of all Board members is performed on an annual basis. The evaluation is performed by the Board, Nomination and Remuneration Committee and Independent Directors with specific focus on the performance and effective functioning of the Board and Individual Directors.

In line with Securities and Exchange Board of India Circular No. SEBI/HO/CFD/CMD/CIR/P/2017/004, dated January 5, 2017 and the Companies Amendment Act, 2017 the Company adopted the recommended criteria by Securities and Exchange Board of India.

The Directors were given six Forms for evaluation of the following:

(i) Evaluation of Board;
(ii) Evaluation of Committees of the Board;
(iii) Evaluation of Independent Directors;
(iv) Evaluation of Chairperson;
(v) Evaluation of Non-Executive and Non-Independent Directors; and
(vi) Evaluation of Managing Director.

The Directors were requested to give following ratings for each criteria:

1. Could do more to meet expectations;
2. Meets expectations; and
3. Exceeds expectations.

The Directors have sent the duly filled forms to Nomination & Remuneration committee. Based on the evaluation done by the Directors, the Committee has prepared a report and submitted the Evaluation Report. Based on the report, the Board of Directors has informed the rankings to each Director and also informed that the performance of Directors is satisfactory and they are recommended for continuation as Directors of the Company.

**4. STAKEHOLDERS RELATIONSHIP COMMITTEE:**

During the year April 2019 to March 2020, one (1) Stakeholders Relationship Committee Meetings were held. The said meeting was held on 13.02.2020.

**A. COMPOSITION AND ATTENDANCE FOR MEETINGS:**

| Name | Designation | Category | No. of Meetings held | No. of Meetings attended |
|---|---|---|---|---|
| Mr. Y Satish Kumar | Chairman | NED(I) | 1 | 1 |
| Mr. G V Kamath | Member | NED(I) | 1 | 1 |

| | | | | |
|---|---|---|---|---|
| Mr. Akilurrahman Khan | Member | NED(I) | 1 | 1 |

**NED (I):** Non Executive Independent Director

**B) Powers:**

The Committee has been delegated with the following powers:

- To redress shareholder and investor complaints relating to transfer of shares, Dematerialization of Shares, non-receipt of Annual Reports, non-receipt of declared dividend and other allied complaints.
- To approve, transfer, transmission, and issue of duplicate / fresh share certificate(s)
- Consolidate and sub-division of share certificates etc.
- To redress, approve and dispose off any, other complaints, transactions and requests etc., received from any shareholder of the company and investor in general.

The Board has delegated the power to process the transfer and transmission of shares to the Registrar and Share Transfer Agents, who process share transfers within a week of lodgement in the case of shares held in physical form.

The Company has designated an exclusive e-mail ID called info@taazastores.comfor complaints/grievances.

**VII. RISK MANAGEMENT COMMITTEE**

The Committee's prime responsibility is to implement and monitor the risk management plan and policy of the Company. The Committee's constitution meets with the requirements of Regulation 21 of SEBI (LODR) Regulations, 2015

**A. ROLE AND RESPONSIBILITIES OF THE COMMITTEE INCLUDES THE FOLLOWING:**

- Framing of Risk Management Plan and Policy
- Overseeing implementation of Risk Management Plan and Policy
- Monitoring of Risk Management Plan and Policy
- Validating the process of risk management
- Validating the procedure for Risk minimisation
- Periodically reviewing and evaluating the Risk Management Policy and practices with respect to risk assessment and risk management processes.
- Continually obtaining reasonable assurance from management that al known and emerging risks have been identified and mitigated or managed.

**B. COMPOSITION**

The composition of the Risk Management Committee as under:

| Name | Designation | Category |
|---|---|---|
| Mr. Y Satish Kumar | Chairman | NED(I) |
| Mr.G V Kamath | Member | NED(I) |
| Mr.N. Venugopal | Member | NED(I) |

NED (I) : Non Executive Independent Director

No meeting held during the year 2019-20.

**17. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement of Section 134(3)(C) and 134(5) of the Companies Act, 2013 and on the basis of explanation given by the executives of the Company and subject to disclosures in the Annual Accounts of the Company from time to time, we state as under:

1. That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. That the Directors have selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. That the Directors have prepared the annual accounts on a going concern basis:
5. That the Directors have lain down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
6. That the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**18. INFORMATION ABOUT THE FINANCIAL PERFORMANCE / FINANCIAL POSITION OF THE SUBSIDIARIES / ASSOCIATES/ JOINT VENTURES:**

As on 31st March, 2020 the Company has two subsidiaries namely M/s.Taaza International PTE Limited in Singapore and M/s Taaza General Trading FZC in Dubai. The Financial performance of the subsidiary companies is mentioned in Form AOC- 1 in accordance with Section 129(3) of the Companies Act, 2013 which is annexed to this report.

Further, audited financial statements together with related information and other reports of each of the subsidiary companies, have also been placed on the website of the Company at www.taazastores.com

**19. EXTRACT OF ANNUAL RETURN:**

As required pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 is a part of this Annual Report in enclosed as Annexure-I.

**20. STATUTORY AUDITORS:**

The members of the Company in accordance with Section 139 of the Companies Act, 2013 had passed a resolutionfor appointment of M/s. V Ravi & Co., as statutory auditors of the Company for a period of 5 years in the AGM held on 30.09.2019 to hold office up to the conclusion of 24th Annual General Meeting of the Company to be held in the year 2023-2024.

**21. 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:**

There have been no frauds reported by the auditors u/s 143(12).

**22. INTERNAL AUDITORS:**

The Company has not appointed any Internal Auditors.

**23. DISCLOSURE ABOUT COST AUDIT:**

Cost Audit is not applicable to your Company.

**24. SECRETARIAL AUDITOR:**

Pursuant to the provisions of Section 134(3) (f) &Section 204 of the Companies Act, 2013, the Board has appointed M/s. VivekSurana& Associates, Practicing Company Secretaries to undertake Secretarial Audit of the Company for financial year ending 31.03.2020. The report of the Secretarial Auditor is enclosed herewith vide Annexure-II of this Report.

**25. QUALIFICATIONS IN AUDIT REPORTS:**

Explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made—

**(a) Statutory Auditors Report:**

The Board has duly reviewed the Statutory Auditor's Report on the Accounts for the year ended March 31, 2020 and has noted that the same does not have any reservation, qualification or adverse remarks. However, the Board decided to further strengthen the existing system and procedures to meet all kinds of challenges and growth in the market expected in the coming years.

**(b) Secretarial Audit Report:**

The Board has duly reviewed the Secretarial Audit Report for the year ended March 31, 2020 on the Compliances according to the provisions of section 204 of the Companies Act 2013, and the same does not have any reservation, qualifications or adverse remarks except that the Company does not have an Internal auditorand the Company is in the process of appointingthe suitable candidate for the same.

**26. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

The Company has not given loans, Guarantees or made any investments during the year under reviewattracting the provisions of section 186 of the Companies Act, 2013.

**27. RELATED PARTY TRANSACTIONS:**

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. There were no material significant related party transactions made by the Company with the Promoters, Directors, Key Managerial Personnel or the Senior Management which may have a potential conflict with the interest of the Company at large.

All related party transactions were placed before the Audit Committee/Board for approval. Prior approval of the Audit Committee was obtained for the transactions which are foreseen and are in repetitive in nature.

The Company has not entered into any contracts/arrangements with related parties referred to Section 188(1) of the Companies Act, 2013.

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

During the year under review no Company has become or ceased to become its subsidiaries, joint ventures or associate Company.

**29. DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The required information as per Sec.134 (3) (m) of the Companies Act 2013 is provided hereunder:

**A. Conservation of Energy:**

Your Company's operations are not energy intensive. Adequate measures have been taken to conserve energy wherever possible by using energy efficient computers and purchase ofenergy efficient equipment.

**B. Technology Absorption:**

1. Research and Development (R&D):NIL
2. Technology absorption, adoption and innovation: NIL

**C. Foreign Exchange Earnings and Out Go:**

Foreign Exchange Earnings : NIL

Foreign Exchange Outgo : NIL

**30. VIGIL MECHANISM/WHISTLE BLOWER POLICY:**

In pursuant to 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. It also provides for necessary safeguards for protection against victimization for whistle blowing in good faith.

Vigil Mechanism Policy has been established by the Company for directors and employees to report genuine concerns pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013. The same has been placed on the website of the Company.

**31. CORPORATE SOCIAL RESPONSIBILITY (CSR, COMPOSITION OF CSR COMMITTEE AND CONTENTS OF CSR POLICY):**

Since the Company does not have the net worth of Rs. 500 Crore or more, or turnover of Rs. 1000 Crore or more, or a net profit of Rs. 5 Crore or more during the financial year, section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility is not applicable and hence the Company need not adopt any Corporate Social Responsibility Policy.

**32. PUBLIC DEPOSITS:**

Your Company has not accepted any deposits falling within the meaning of Sec73, 74 & 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules 2014, during the financial year under review.

**33. SIGNIFICANT & MATERIAL ORDERS PASSED BY COURTS / REGULATORS/ TRIBUNALS:**

There are no significant and material orders passed by the regulators /courts that would impact the going concern status of the Company and its future operations.

**34. DISCLOSURE OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:**

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. The Company maintains appropriate system of internal control, including monitoring procedures, to ensure that all assets are safeguarded against loss from unauthorized use or disposition. Company policies, guidelines and procedures provide for adequate checks and balances, and are meant to ensure that all transactions are authorized, recorded and reported correctly.

During the period under review, there is no material or serious observations have been noticed for inefficiency or inadequacy of such controls.

**35. INSURANCE:**

The Company does not have any major fixed assets and accordingly it is not required to take any

insurance policy.

**36. CREDIT & GUARANTEE FACILITIES:**

The Company has been availing facilities of Credit and Guarantee as and when required, for the business of the Company, from Bank of Maharashtra.

**37. INVESTOR EDUCATION AND PROTECTION FUND**

During the Year, the company has not transferred any amount to Investor Education and Protection Fund.

**38. SHARE CAPITAL**

The authorised share capital of the Company stands at Rs.10,00,00,000/-.

The paid up share capital of the Company stands at Rs. 7,25,81,100 /- divided into 72,58,110 equity shares of Rs.10/- each.

**39. CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:**

Since the paid up capital of the Company is less than Rs. 10 Crores and Net worth of the Company is less than Rs. 25 Crores, Corporate Governance as envisaged in SEBI LODR Regulations is not applicable.

**40. MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT:**

The Management Discussion and Analysis Report, pursuant to the SEBI (LODR) Regulation, 2015 appended as Annexure III for information of the Members.

**41. POLICIES:**

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed companies. All the policies are available on our website (https://www.taazastores.com). The policies are reviewed periodically by the Board and updated based on need and new compliance requirement.

| Name of the policy | Brief Description | Website link |
|---|---|---|
| Board Diversity Policy | At Taaza International Limited, we believe that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help us retain our competitive advantage. The Board has adopted the Board Diversity Policy which sets out the approach to diversity of the Board of Directors. | www.taazastores.com |
| Nomination and Remuneration Policy | This policy formulates the criteria for determining qualifications, competencies, positive attributes and independence for the appointment of a director (executive / non-executive) and also the criteria for determining the remuneration of the directors, key managerial personnel and other employees. | www.taazastores.com |

| | | |
|---|---|---|
| Policy on Material Subsidiaries | The policy is used to determine the material subsidiaries and material non-listed Indian subsidiaries of the Company and to provide the governance framework for them. | www.taazastores.com |
| Related Party Transaction Policy | The policy regulates all transactions between the Company and its related parties | www.taazastores.com |

**42. ENVIRONMENTS AND HUMAN RESOURCE DEVELOPMENT:**

Your Company always believes in keeping the environment pollution free and is fully committed to its social responsibility.The Company has been taking upmost care in complying with all pollution control measures from time to time strictly as per the directions of the Government.

We would like to place on record our appreciation for the efforts made by the management and the keen interest shown by the Employees of your Company in this regard.

**43. STATUTORY COMPLIANCE:**

The Company has complied with the required provisions relating to statutory compliance with regard to the affairs of the Company in all respects.

**44. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013. The following is the summary of sexual harassment complaints received and disposed during the calendar year.

- No of complaints at the beginning of the year Nil
- No. of complaints received: Nil
- No. of complaints disposed off: Nil

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

A table containing the particulars in accordance with the provisions of Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as Annexure IV to this Report.

A statement showing the names of the top ten employees in terms of remuneration drawn and the name of every employee is annexed to this Annual report.

During the year NONE of the employees is drawing a remuneration of Rs.1,02,00,000/- and above per annum or Rs.8,50,000/- and above in aggregate per month, the limits specified under the Section 197(12) of the Companies Act,2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**46. RATIO OF REMUNERATION TO EACH DIRECTOR**

No remuneration was paid to any of the directors.

**47. CODE OF CONDUCT FOR THE PREVENTION OF INSIDER TRADING:**

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed, and disclosures to be made while dealing with shares of the Company, as well as the consequences of violation. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company securities.

The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price sensitive information and code of conduct for the prevention of insider trading, is available on our website www.taazastores.com.

**48. SECRETARIAL STANDARDS**

The Company is in compliance with the applicable secretarial standards.

**49. CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC):**

There is no application filed for corporate insolvency resolutionprocess, by a financial or operational creditor or by the company itselfunder the IBC before the NCLT.

**50. EVENT BASED DISCLOSURES**

During the year under review, the Company has not taken up any of the following activities:

1. Issue of sweat equity share: NA
2. Issue of shares with differential rights: NA
3. Issue of shares under employee's stock option scheme: NA
4. Disclosure on purchase by Company or giving of loans by it for purchase of its shares: NA
5. Buy back shares: NA
6. Disclosure about revision: NA
7. Preferential Allotment of Shares: NA

**51. CEO/ CFO Certification**

The Managing Director cum CEO and CFO certification of the financial statements for the year 2019-2020 is annexed in this Annual Report.

**52. ACKNOWLEDGEMENTS:**

Your Directors wish to place on record their appreciation of the contribution made by the employees at all levels, to the continued growth and prosperity of your Company. Your Directors also wish to place on record their appreciation of business constituents, banks and other financial institutions and shareholders of the Company for their continued support for the growth of the Company.

For and on behalf of the Board
**Taaza International Limited**
Sd/-
**P Ravinder Rao**
Chairman & Managing Director
DIN: 01445527

Place : Secunderabad
Date : 21.07.2020

## CERTIFICATE OF CODE OF CONDUCT FOR THE YEAR 2019-20

The shareholders,

### CODE OF CONDUCT

The Company has formulated and implemented a Code of Conduct for Board Members and Senior Management of the Company. Requisite annual affirmations of compliance with the respective Codes have been made by the Directors and Senior Management of the Company.

**Certificate of Code of Conduct for the year 2019-20 as per Regulation 17(5) read with Regulation 34(3) Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Taaza International Limited is committed for conducting its business in accordance with the applicable laws, rules and regulations and with highest standards of business ethics. The Company has adopted a "Code of Ethics and Business Conduct" which is applicable to all Director, officers and employees.

I hereby certify that all the Board Members and Senior Management have affirmed the compliance with the Code of Ethics and Business Conduct, under a certificate of Code of Conduct for the year 2019-2020.

For and on behalf of the Board
**Taaza International Limited**

| | |
|---|---|
| Sd/- | Sd/- |
| **P. Ravinder Rao** | **Akilurrahman Khan** |
| Chairman & Managing Director | Director |
| (DIN: 01445527) | (DIN 08460144) |

Place: Secunderabad
Date: 21.07.2020

**Annexure I**

**MGT 9**

**Extract of Annual Return**

**as on the financial year ended on 31st March, 2020**

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

**I. REGISTRATION AND OTHER DETAILS:**

| | | |
|---|---|---|
| i. | CIN | L51109TG2001PLC072561 |
| ii. | Registration Date | 12.02.2001 |
| iii. | Name of the Company | M/s. Taaza International Limited |
| iv. | Category / Sub-Category of the Company | Company limited by shares/ Non-Government Company |
| v. | Address of the Registered office and contact details | Plot No. 29, HACP Colony, Kharkhana Road, Secunderabad – 500009, Telangana, India |
| vi. | Whether listed company Yes / No | Yes |
| vii | Name, Address and Contact details of Registrar and Transfer Agent, if any | M/s. Niche Technologies Pvt. Ltd.<br>D-511,5th Floor, Bagree Market,<br>71, Biplabi Rash Behari Basu Road<br>(Formerly Canning Street) Kolkata-700001<br>Ph No. : (033) 2235 7270-71 /2234 3576 |

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

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

| Sl. No. | Name and Description of main products /services | NIC Code of the Product / service | % to total turnover of the company |
|---|---|---|---|
| 1 | Trading of Building Material | 9953 | 100 |

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:–**

| S. No. | Name and Address of the Company | CIN/GLN | Subsidiary Company | Holding/ Subsidiary /Associate | Applicable Section |
|---|---|---|---|---|---|
| 1 | Taaza International PTE Limited | _ | Subsidiary Company | 90% | 2(87) |
| 2 | Taaza General Trading FZC | -- | Subsidiary Company | 90% | 2(87) |

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

Category-wise Share Holding;-

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change during the year |
|---|---|---|---|---|---|---|---|---|---|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| **A. Promoters** | | | | | | | | | |
| (1) Indian | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | Demat |
| a) Individual / HUIF | 2618272 | 0 | 2618272 | 36.07 | 2618272 | 0 | 2618272 | 36.07 | -- |
| b) Central Govt | -- | -- | -- | -- | | | | | |
| c) State Govt(s) | -- | -- | -- | -- | | | | | |
| d) Bodies Corp | -- | -- | -- | -- | | | | | |
| e) Banks / FI's | -- | -- | -- | -- | | | | | |
| f) Any Other | -- | -- | -- | -- | | | | | |
| **Sub Total (A) (1)** | **2618272** | **0** | **2618272** | **36.07** | **2618272** | **0** | **2618272** | **36.07** | **--** |
| **(2) Foreign** | -- | -- | -- | -- | | | | | |
| a) NRI - Individuals | -- | -- | -- | -- | | | | | |
| b) Other -Individuals | -- | -- | -- | -- | | | | | |
| c) Bodies Corporate | -- | -- | -- | -- | | | | | |
| d) Banks / FI | -- | -- | -- | -- | | | | | |
| e) Any Other | -- | -- | -- | -- | | | | | |
| **Sub Total (A) (2)** | **--** | **--** | **--** | **--** | | | | | |
| **Total Shareholding of Promoter (A)=(A)(1)+(A)(2)** | **2618272** | **0** | **2618272** | **36.07** | **2618272** | **0** | **2618272** | **36.07** | **--** |
| **1. Institutions** | | | | | | | | | |
| a) Mutual Funds | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| b) Banks / FI | -- | -- | -- | -- | --- | -- | -- | -- | -- |
| c) Central Govt | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| d) State Govt(s) | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| e) Venture Capital Funds | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| f) Insurance Companies | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| g) FIIs | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| h)Foreign Venture Capital Fund | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| i) Others | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| **Sub Total (B) (1)** | **--** | **--** | **--** | **--** | **-** | **--** | **--** | **--** | **--** |
| **2. Non Institutions** | | | | | | | | | |
| a) Bodies Corporate | | | | | | | | | |
| i) Indian | 107280 | 130 | 107410 | 1.48 | 106276 | 130 | 106406 | 1.46 | (0.02) |
| ii) Overseas | - | - | - | - | - | - | - | - | |
| b) Individuals | | | | | | | | | |
| i) Individual Shareholders holding nominal share capital up to Rs.1 Lakh | 416693 | 16485 | 433178 | 5.96 | 416275 | 16485 | 432760 | 5.96 | -- |
| ii) Individual Shareholders holding nominal share capital in excess of Rs.1 Lakh | 4048352 | 0 | 4048352 | 55.78 | 4067407 | 0 | 4067407 | 56.04 | 0.26 |
| c) Others | | | | | | | | | |
| i) IEPF | - | - | - | - | - | - | - | - | - |
| ii) Clearing members | 49233 | 0 | 49233 | 0.68 | 31600 | 0 | 31600 | 0.44 | (0.24) |
| iii)Non-Resident Indian (NRI) | 1665 | 0 | 1665 | 0.02 | 1665 | - | 1665 | 0.02 | -- |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **Sub Total (B) (2)** | **4623223** | **16615** | **4639838** | **63.93** | **4623223** | **16615** | **4639838** | **63.93** | **-** |
| **Total Public (2) Shareholding (B) = (B)(1) + (B)** | **4623223** | **16615** | **4639838** | **63.93** | **4623223** | **16615** | **4639838** | **63.93** | **-** |
| **C. SHARES HELD BY CUSTODIAN FOR GDRS & ADRS** | **--** | **--** | **--** % | **--** % | **-** | **-** % | **-** % | **-** | **--** % |
| **GRAND TOTAL (A+B+C)** | **7241495** | **16615** | **7258110** | **100** | **7241495** | **16615** | **7258110** | **100** | **--** |

**ii) Shareholding of Promoters**

| Sl No. | Shareholder's Name | Shareholding at the beginning of the year(as on 01-04-2019 | | | Shareholding at the end of the year (as on 31-03-2020) | | | |
|---|---|---|---|---|---|---|---|---|
| | | No.of Shares | of total Shares of the company | of Shares Pledged / encumbered to total shares | No.of Shares | of total Shares of the company | of Shares Pledged / encumbered to total shares | change in shareholding during the year |
| 1. | AnuradhaGottumukkala | 63620 | 0.877 | 0.000 | 63620 | 0.877 | 0.000 | 0.000 |
| 2. | Chandrasekhar Nadimpalli | 94267 | 1.299 | 0.000 | 94267 | 1.299 | 0.000 | 0.000 |
| 3. | Deepti Vishal Nadimpalli | 121000 | 1.667 | 0.000 | 121000 | 1.67 | 0.000 | 0.000 |
| 4. | N Subhadra Devi | 160000 | 2.204 | 0.000 % | 160000 | 2.20 | 0.000 % | 0.000 |
| 5. | N. Vishal | 50000 | 0.689 | 0.000 | 50000 | 0.69 | 0.000 | 0.000 |
| 6. | PolsaniRavinder Rao | 1673835 | 23.062 | 0.000 | 1673835 | 23.06 | 0.000 | 0.000 |
| 7. | Satyanarayana Prasad Gottumukkala | 95130 | 1.311 | 0.000 | 95130 | 1.31 | 0.000 | 0.000 |
| 8. | VenugopalNamburu | 360420 | 4.966 | 0.000 | 360420 | 4.97 | 0.000 | 0.000 |

**iii) Change in Promoters' Shareholding ( please specify, if there is no change) No Change**

| SN | Shareholder's Name % | Shareholding at the beginning of the year | | Cumulative Shareholding during the year % | |
|---|---|---|---|---|---|
| | | No. of shares | of total shares of the company | No. of shares | of total shares of the company |
| | | - | - | - | - |

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)**

| Sl. | Name of the Shareholder | Shareholding at the beginning of the year | | Date | Increase/ Decrease in shareholding | Reason | Cumulative Shareholding during the year | |
|---|---|---|---|---|---|---|---|---|
| | | No. of Shares | of total Shares of the Company | | | | No. of Shares | of total Shares of the Company |
| 1. | E Sandeep Rao | 1,00,000 | 1.38 | - | - | - | 1,00,000 | 1.38 |
| 2. | Naveen Kumar Chennamaneni | 193021 | 2.66 | - | - | - | 193021 | 2.66 |
| 3. | P B N Murthy | 109251 | 1.51 | 13.12.2019 | Transfer | 2000 | 107251 | 1.48 |
| 4. | P Srinivasarao | 365543 | 5.04 | | | | 365543 | 5.04 |
| 5. | P V Ravi Kumar | 1233975 | 17.00 | - | - | - | 1233975 | 17.00 |
| 6. | Pabbathi Praveen Kumar | 132438 | 1.82 | - | - | - | 132438 | 1.82 |
| 7. | RajulPremalDoshi | 161111 % | 2.22 | - | - | - | 161111 % | 2.22 |
| 8. | SatyanarayanaPabbathi | 106712 | 1.47 | - | - | - | 106712 | 1.47 |
| 9. | Srinivas Yalamarthy | 100000 | 1.38 | - | - | - | 100000 | 1.38 |
| 10 | VenkatNareshMajeti | 352003 | 4.85 | - | -- | -- | 352003 | 4.85 |
| 11. | V B Narayana Gollapudi | 481758 | 6.64 | 13.12.2019 | Transfer | 2000 | 483758 | 6.66 |

**(v) Shareholding of Directors and Key Managerial Personnel:**

| Sl. | Name of the Shareholder | Shareholding at the beginning of the year | | Shareholding at the beginning of the year | | | Cumulative Shareholding during the year | |
|---|---|---|---|---|---|---|---|---|
| | | No. of Shares | of total Shares of the Company | Date | Increase/ Decrease in shareholding | Reason | No. of Shares | of total Shares of the Company |

| A | Directors | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 1 | Mr. P Ravinder Rao | 1673835 | 23.06 | - | - | - | 1673835 | 23.06 |
| 2 | Mr. G.V. Kamath | - | - | - | - | - | - | - |
| 3 | Mr. Y. Satish Kumar | - | - | - | - | - | - | - |
| 4 | Mrs. D. VanajaKumari | - | - | - | - | - | - | - |
| 5 | Mr. Mohammed Sadiq Khan | - | - | - | - | - | - | - |
| 6 | Mr. Akilurahaman Khan | - | - | - | - | - | - | - |
| **B.** | **Key Managerial Personnel** | | | | | | | |
| 1. | Mr. Devanoori Srinivas | - | - | - | - | - | - | - |

**V. INDEBTEDNESS**

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

(in Rupees)

| Particulars | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|---|---|---|---|
| **Indebtedness at the beginning of the financial year** | | | | |
| i) Principal Amount | -- | -- | -- | -- |
| ii) Interest due but not paid | -- | -- | -- | -- |
| iii) Interest accrued but not due | -- | -- | -- | -- |
| **Total (i+ii+iii)** | -- | -- | -- | -- |
| **Change in Indebtedness during the financial year** | | | | |
| Addition | | | | |
| Reduction | -- | -- | - | -- |
| **Net Change** | -- | -- | - | -- |
| **Indebtedness at the end of the financial year** | | | | |
| i) Principal Amount | -- | -- | - | - |
| ii) Interest due but not paid | -- | -- | - | - |
| iii) Interest accrued but not due | -- | -- | - | - |
| **Total (i+ii+iii)** | -- | -- | - | - |

**VI. REMUNERATION OF DIRECTORS AND KEY MANGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

| S.No. | Particulars of Remuneration | P. Ravinder Rao (Chairman and Managing Director) | Mr. A. Narsimha Raju | | Total Amount (Rs) |
|---|---|---|---|---|---|
| 1. | Gross salary<br>(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961<br>(b) Value of perquisites u/s 17(2) Income-tax Act, 1961<br>(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961 | -<br>- | - | - | - |
| 2. | Stock Option | - | - | - | - |
| 3. | Sweat Equity | - | - | - | - |
| 4. | Commission<br>- as % of profit<br>- Others, specify... | - | - | - | - |
| 5. | Others, please specify | - | - | - | - |
| | Total (A) | - | - | - | - |
| | Ceiling as per the Act | | | | |

**B. Remuneration to other directors**

| S.No. | Particulars of Remuneration | Name of Directors | | | | Total Amount |
|---|---|---|---|---|---|---|
| | ..... | G V Kamath | Y Satish Kumar | Mrs. D Vanaja Kumari | | |
| | 1 Independent Directors | | | | | |
| | Fee for attending Board/Committee Meetings | | | | | |
| | Commission | | | | | |
| | Others | | | | | |
| | **Total (1)** | | | | | |
| 2 | **Other Non-Executive Directors** | | | | | |
| | Fee for attending Board/Committee Meetings | | | | | |
| | Commission | | | | | |
| | Others | | | | | |
| | Total (2) | | | | | |
| | Total (B) = (1+2) | | | | | |
| | Total Managerial Remuneration | Nil | Nil | Nil | | Nil |
| | Overall Ceiling as per the Act | NA | NA | NA | | NA |

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

| S.No. | Particulars of Remuneration | Key Managerial Personnel | | | |
|---|---|---|---|---|---|
| | | CEO | Company Secretary (Naveen Kumar Vaid) | CFO | Total |
| 1. | Gross salary<br>(a) Salary as per provisions contained in section 17(1) of | - | 80000 | - | - |
| | the Income-tax Act, 1961 | | | | |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | - | | | |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | - | | | |
| 2. | Stock Option | - | | | |

| | | | | | |
|---|---|---|---|---|---|
| 3.<br>4. | Sweat Equity<br>Commission<br>- as% of profit | - | | | |
| | - others, specify… | - | | | |
| 5. | Others, please specify | - | | | |
| 6. | Total | - | 80000 | - | - |

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

There are no penalties (Punishment or Compounding of offences for the year March 31, 2020

| Type | Section of the Companies Act | Brief Description | Details of Penalty / Punishment/ Compounding fees imposed | Authority [RD / NCLT / COURT] | Appeal made, if any (give Details) |
|---|---|---|---|---|---|
| **A. COMPANY** | | | | | |
| Penalty | - | | | | |
| Punishment | NIL | | | | |
| Compounding | - | | | | |
| **B. DIRECTORS** | | | | | |
| Penalty | - | | | | |
| Punishment | NIL | | | | |
| Compounding | - | | | | |
| **C. OTHER OFFICERS IN DEFAULT** | | | | | |
| Penalty | - | | | | |
| Punishment | NIL | | | | |
| Compounding | - | | | | |

For and on behalf of the Board
**Taaza International Limited**

**Sd/-**
**P Ravinder Rao**
Chairman & Managing Director
DIN : 01445527

Place : Secunderabad
Date : 21.07.2020

**ANNEXURE II**

**FORM MR-3**

**SECRETARIAL AUDIT REPORT**

(PURSUANT TO SECTION 204(1) OF THE COMPANIES ACT, 2013 AND

RULE 9 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020**

To,
The Members
Taaza International Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Taaza International Limited(hereinafter called "the Company"). 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, Minutes Books, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the financial year commencing from 1st April, 2019 and ended 31st March, 2020 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:

1. We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st of March, 2020 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment and External Commercial Borrowings;

2. Compliance status in respect of the provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI ACT') is furnished hereunder for the financial year 2019-20:-

i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Complied with yearly and event based disclosures, wherever applicable.**

ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015and Amended Regulations 2018 Insider Trading Regulations; **The Company has framed code of conduct for regulating & reporting trading by insiders and for fair disclosure and displayed the same on the Company's website i.e.www.taazastores.com**

iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not Applicable as the company has not issued any shares during the year under review.**

iv. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **Not Applicable as the Company has not issued any Employee Stock Options during the year under review.**

v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable as the Company has not issued any debt securities during the year under review.**

vi. The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client; **Not Applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the year under review. However, the company has M/s Niche Technologies Private Limited as its Share Transfer Agent.**

vii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable as the company has not delisted/ proposed to delist its equity shares during the year under review.**

viii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable as the Company has not bought back/ proposed to buy-back any of its securities during the year under review.**

ix. Other applicable laws include the following:

a) The Water (Prevention & Control of Pollution) Act, 1974, Read with Water(Prevention & Control of Pollution) Rules, 1975.

b) The Air (Prevention and Control of Pollution) Act, 1981

c) The Water (Prevention & Control of Pollution) Act, 1974, Read with Water(Prevention & Control of Pollution) Rules, 1975.

d) Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008.

e) The Insecticides Act, 1968 and rules made thereunder.

f) Fertilizer Control (Order).

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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 were complied with to the extent applicable.

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

a) During the year the Company has conducted 6 meetings of the Board of Directors, 4 meetings of the Audit committee, 1 Meetings of Stakeholder Relationship Committee, 3 Meetings of Nomination and Remuneration Committee Meeting and 1 meeting of Independent Directors. We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company secretaries of India.

b) As per the information and explanations provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we report that

() the provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of:

- External Commercial Borrowings were not attracted to the Company under the financial year under report;
- Foreign Direct Investment (FDI) was not attracted to the company under the financial year under report;
- Overseas Direct Investment by Residents in Joint Venture/Wholly Owned Subsidiary abroad was not attracted to the company under the financial year under report.

(i) As per the information and explanations provided by the company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we report that the Company has not made any GDRs/ADRs or any Commercial Instrument under the financial year under report.

We further report that:

- During the year, Mr. K.A. Narsimha Raju has resigned as CFO of the Company and Mr.D. Srinivas was appointed as CFO of the Company w.e.f. 07.06.2019. During the Year, Mr. Naveen Kumar Vaid was resigned as a Company Secretary cum compliance officer w.e.f 31.07.2019.
- The Company has not appointed Internal Auditor.
- During the year the company has delayed in filing the annual report with BSE Limited and consequently the exchange has levied a penalty of Rs. 37,000 which is yet to be paid.
- The company has appointed Mr. Mohammed Sadiq Khan and Mr. Akilurrahaman Khan as Directors of the Company in the AGM held on 30.09.2019 However, the company has not filed the form DIR - 12 with Registrar of Companies.
- The website of the Company contains policies as specified by SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and the provisions of Companies Act, 2013.
- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice of board meeting is given to all the directors along with agenda 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 meaningful participation at the meeting.
- As per the minutes of the meeting duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.
- 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.
- The compliance by the Company of applicable financial laws like Direct and Indirect tax laws has not been reviewed thoroughly in this audit since the same have been subject to review by statutory financial audit and other designated professionals.
- We further report that during the year under report, the Company has not undertaken event/ action having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

For **Vivek Surana & Associates**
Sd/-
**Vivek Surana**
Proprietor
C.P.No : 12901
M.No.: A24531
UDIN:A024531B000494330

Date: 23.07.2020
Place: Hyderabad

**Annexure A**

To
The Members of
Taaza International Limited

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 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 relied on the reports given by the concerned professionals in verifying 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 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 future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **Vivek Surana & Associates**
Sd/-
**Vivek Surana**
Proprietor
C.P.No : 12901
M.No.: A24531
UDIN:A024531B000494330

Place: Hyderabad
Date: 23.07.2020

## CERTIFICATE BY THE MANAGING DIRECTOR AND CFO OF THE COMPANY

To
The Board of Directors
Taaza International Limited

Dear Sirs,

As required under Regulation 17(8) read with Part B, Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we state that:

1. We have reviewed the financial statements and the cash flow statement for the year ended 31st March 2020 and to the best of our knowledge and belief;

a. These statements do not contain any materially untrue statement nor omit any material fact nor contain statements that might be misleading, and

b. These statements present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

2. There are, to the best of my 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, I have evaluated the effectiveness of the internal control systems of the company and I have disclosed to the auditors and the audit committee, deficiencies in the design or the operation of internal controls, if any, of which I was aware and the steps that I have taken or propose to take and rectify the identified deficiencies and,

4. That we have informed the auditors and the audit committee of:

a) Significant changes in the internal control during the year;

b) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

c) Instances of significant fraud of which we have become aware and the involvement of any employee having a significant role in the company's internal control system.

For and on behalf of the Board of
**Taaza International Limited**

Sd/-
**D. Srinivas**
Chief Financial Officer

Sd/-
**P Ravinder Rao**
Chairman & Managing Director

Place: Secunderabad
Date: 21.07.2020

**Disclosure with Respect to Demat Suspense Account/ Unclaimed Suspense Account:**

As per Regulation 34(3) read with Schedule V of SEBI (Listing Obligation andDisclosure Requirements) Regulations, 2015, the Company hereby discloses the details of unpaid/unclaimed dividend and the respective share thereof as follows:

| Aggregate No. of Shareholders and the outstanding shares in the suspense account at the beginning of the year. | No. of shareholders who approached the Company for transfer of shares from suspense account during the year. | No. of shareholders to whom shares were transferred from suspense account during the year. | Aggregate No. of Shareholders and the outstanding shares in the suspense account at the end of the year. |
|---|---|---|---|
| Nil | Nil | Nil | Nil |

Voting Right on these shares shall remain frozen till the rightful owner of such shares claims the shares.

**ANNEXURE -III**

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

**Industry structure, developments and performance**

The company's major sources of revenues are from Trading of Building Material, Bio Pesticides and Bio Fertilizers and pulses. There is a huge demand of trading materials, pesticides in the Country. However, during the year 2019-20, the Company could not get much business. However, there is much scope in this industry and the Company believes to generate more business in the future.

**Opportunities and Threats:**

However, the ability of the building materials sector to respond effectively to the demands willdepend on investor and business confidence. Several of the factors influencing business confidence are in fact within the influence of the infrastructure related government departments, while others factors (such as interest rates, mining rights, labour regulations, transportation systems, power generation, crime) are under the influence of other government and semi-government departments and organisations.

Although the distribution of building and construction materials is private sector driven, government has a role in facilitating an enabling environment for private sector delivery. This results in a need for a partnership between government and the business sector, namely, government facilitating an enabling environment for private sector delivery, living up to its delivery commitments, and creating a climate for business confidence; and creating a climate for business confidence; and the threat Local manufacturers of cement will face increased international competition if a proposed relaxation of a technical barrier to trade in the current compulsory standard for the product is pushed through.

This follows the SA Bureau of Standards (SABS) being requested earlier this year by the trade and industry department to take over responsibility for the regulation of cement by means of a compulsory standard.

**Segment–wise or product-wise performance:**

**Standalone:** Your Company during the year under review has achieved sales and other income of Rs.122.62 Lakhs and net loss of Rs. 88.34 as compared to sales and other income of Rs.707.63 Lakhs and net loss of Rs.265.01 achieved in the previous financial year.

**Consolidated:** Your Company during the year under review has achieved sales and other income (consolidated) of Rs.136.18 Lakhs and net loss of Rs.115.81 lakhs as compared to sales and other income (consolidated) of Rs.782.25 Lakhs and net loss of Rs.413.58 lakhs achieved in the previous financial year.

**Outlook:**

The industry is witnessing all-round growth in the global scenario, which is coupled with rise in demandin the housing and infrastructure. Changing life styles and people's acumen to spend more on this luxury and necessity alike are the key factors in its growth pattern too. These factors will help the Company to achieve its projected growth outlined for the future. General and persistent economic slowdown due to various external factors affecting the markets, is in fact a disheartening factor and is not allowing the contemporary markets to swing back in to revival mode, yet the Company through its aggressive marketing strategy is trying to overcome it in a good measure. This augurs well for your Company in changing its outlook to positive for the current financial year. With increased focus on enhancing its product portfolio and introduction of new range of

embroidered fabrics, your Company is well poised to grow at the expected pace and show consistent results.

The Company plans to continue its thrust in retail segment aimed at further ensuring a horizontal growthand to extend its reach to the untapped segments that will help in achieving its long term goals besidesultimately allowing the Company to the stage of consolidation.

**Risks and concerns:**

a) The product is at once subjected to local, national and international competition.

b) Any adverse change in the policies of the Government, Recession etc may further adversely affect the profitability.

c) Internal Control System and itsadequacy

d) The Company has a proper and adequate internal control system commensurate with its size and

e) nature of business to meet the following objectives:

Providing assurance regarding the effectiveness and efficiency of operations;

Efficient use and safeguarding of resources;

Compliance with policies, procedures and applicable laws and regulations; and.

The Audit Committee actively reviews the adequacy and effectiveness of internal control systems and suggests improvements for strengthening them time totime.

Risk assessment reports received from various departments are reviewed periodically and steps are initiated for elimination whenever needed.

**Internal control systems and their adequacy:**

The Company has an adequate internal control system which commensurate with the size and nature of its business. The internal control system is being supported by internal audits, regular reviews by management to ensure reliability of financial and all other records to prepare financial statements and other data. Further the Audit Committee of the Board review the findings and recommendations of the internal audit and suitable implementations are affected

**Discussion on financial performance with respect to operational performance:**

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and international markets in which the Company operates, changes in the Government regulations, tax laws and other statues and other incidental factor.

**Details of any change in return on net worth as compared to the immediately previous financial year along with a detailed explanation thereof: There is change on net worth as compared to the immediately previous financial year.**

Material developments in Human Resources / Industrial Relations front, including number of people employed.

The Company has a group of able and experienced employees. The Company believes that thequality of its employees is the key to its success in the long run. The Company continues to have cordial relations with its employees and provides personal development opportunities for all round exposure to them. Further, we also encourage individual and team awards to sustain and

institutionalize the various workforce practices. This helped in giving lots of encouragement to the workforce who have been striving hard to achieve various goals.

**Disclosure of Accounting Treatment:**

The Company has not carried out any treatment different from that prescribed in Accounting Standards.

**Form No. AOC-2**

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

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

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

(a) Name(s) of the related party and nature of relationship

(b) Nature of contracts/arrangements/transactions

(c) Duration of the contracts / arrangements/transactions

(d) Salient terms of the contracts or arrangements or transactions including the value, if any

(e) Justification for entering into such contracts or arrangements or transactions

(f) Date(s) of approval by the Board

(g) Amount paid as advances, if any:

(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

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

(a) Name(s) of the related party and nature of relationship

(b) Nature of contracts/arrangements/transactions

(c) Duration of the contracts / arrangements/transactions

(d) Salient terms of the contracts or arrangements or transactions including the value, if any:

(e) Date(s) of approval by the Board, if any:

(f) Amount paid as advances, if any: Form shall be signed by the persons who have signed the Board's report.

**Form AOC – 1**

**Statement containing salient features of the financial statements of Subsidiaries**

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

1. Name of the Subsidiaries : **Taaza International PTE Limited &**
   **M/s Taaza General Trading FZC in Dubai**
2. Reporting Period: 01.04.2019 to 31.03.2020
3. Reporting Currency: Indian Rupee

| S. No. | Particulars | M/s. Taaza International PTE Limited | M/s Taaza General Trading FZC in Dubai |
|---|---|---|---|
| | | Amount in Rupees | Amount In Rupees |
| 1. | Share Capital: | 69,55,000 | 38,10,992 |
| 2. | Reserves and surplus for the year ending | 2,37,48,921 | (35,99,074) |
| 3. | Total Assets | 4,74,94,026 | 11,12,800 |
| 4. | Total Liabilities | 1,69,56,498 | 9,00,881 |
| 5. | Investments | - | - |
| 6. | Turnover (Income) | 13,56,354 | - |
| 7. | Profit / loss before Taxation | (1,54,01,720) | - |
| 8. | Provision for Taxation | - | - |
| 9. | Profit / loss after Taxation | (1,54,01,720) | - |
| 10. | Proposed Dividend | - | - |
| 11. | % of Shareholding | - | - |

1. Names of Subsidiaries which are yet to commence operation : NA
2. Names of subsidiaries which have been liquidated or sold during the year : NA

For and on behalf of the Board of Directors of
**TAAZA INTERNATIONAL LIMITED**

Sd/-
**P. Ravinder Rao**
Chairman & Managing Director
(DIN: 01445527)

Sd/-
**Akilurrahman Khan**
Director
(DIN 08210187)

Place: Secunderabad
Date: 21.07.2020

## Balance Sheet as at 31.03.2020

**(Amount in Rupees)**

| PARTICULARS | Note No's | As at 31.03.2020 | As at 31.03.2019 |
|---|---|---|---|
| **I ASSETS :** | | | |
| **(1) Non-current assets** | | | |
| (a) Property, plant and equipment | 1.1 | 2,455,172 | 19,738,262 |
| (b) Right to use assets | | - | - |
| (c) Capital work in progress | | - | - |
| (d) Investment properties | | - | - |
| (e) Good will | | - | - |
| (f) Other intangible Assets | 1.2 | - | - |
| (g) Intangible Assets under Development | | - | - |
| (h) Biological Assets other than Bearer Plants | | - | - |
| (i) Financial assets | | - | - |
| (i) Investments | 2 | 8,667,576 | 8,667,576 |
| (ii) Trade receivables | 3 | - | - |
| (iii) Loans | 4 | - | - |
| (vi) Other Fiancial assets | 5 | - | - |
| (j) Deferred Tax Asset (Net) | | - | - |
| (k) Other non-current asset | 7 | 4,663,000 | 4,753,720 |
| **Total non-current assets (A)** | | **15,785,748** | **33,159,558** |
| **2 Current assets** | | | |
| (a) Inventories | 8 | - | 10,451,250 |
| (b) Financial assets | | | |
| (i) Investments | 2 | - | - |
| (ii) Trade receivables | 3 | 69,269,582 | 55,213,082 |
| (iii) Cash and cash equivalents | 9 | 1,519,582 | 2,054,965 |
| (iv) Bank Balances other than (iii) above | | | |
| (v) Loans | 4 | - | - |
| (iv) other financial assets | 5 | - | - |
| © Current Tax Asset (Net) | 6 | - | - |
| (d) Other current assets | 10 | 6,031,887 | 6,665,654 |
| **Total current assets (B)** | | **76,821,051** | **74,384,951** |
| Non Current Assets Clasiffied as Held for Sale (C) | | - | - |
| **Total assets (A+B+C)** | | **92,606,799** | **107,544,509** |
| **II EQUITY AND LIABILITIES** | | | |
| **1 Equity** | | | |
| (a) Equity share capital | 11 | 72,581,100 | 72,581,100 |
| (b) Other equity | 12 | 5,320,633 | 14,154,623 |
| Total equity (A) | | **77,901,733** | **86,735,723** |
| **2 Liabilities** | | | |
| **(i) Non-current liabilities** | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 13 | - | - |
| (ii) Trade Payables | 14 | - | - |
| (iii) Other Financial Liabilties | 15 | - | - |
| (b) Long term provisions | 16 | - | - |
| (c) Deferred tax Liabilities(Net) | 6 | (404,803) | (285,770) |
| (d) Other non Current Liabilities | 17 | - | - |
| **Total non-current liabilities (B)** | | **(404,803)** | **(285,770)** |

## Balance Sheet as at 31.03.2020

**(Amount in Rupees)**

| PARTICULARS | Note No's | As at 31.03.2020 | As at 31.03.2019 |
|---|---|---|---|
| **(ii) Current liabilities** | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | 13 | - | - |
| (ii) Trade payables | 14 | 9,691,294 | 14,799,005 |
| (iii) Other financial liabilities | 15 | - | - |
| (b) Short term provisions | 16 | - | - |
| (c) Other current liabilities | 17 | 4,651,538 | 4,748,239 |
| (d) Current Tax Laibilities (net) | 6 | 767,037 | 1,547,312 |
| **Total current liabilities (C)** | | **15,109,869** | **21,094,556** |
| **Total liabilities (D=B+C)** | | **14,705,066** | **20,808,786** |
| **Total equity and liabilities (A+D)** | | **92,606,799** | **107,544,509** |
| Significant accounting policies and notes to accounts | | 1 to 24 | |

The notes are an integral part of the financial statements
As per our report of even date

**For V. RAVI & CO.,**
Firm Registration Number : 006492S
Chartered Accountants

**CA D. Ramesh Kumar**
Partner
Membership No. 217139
UDIN: 20217139AAAADT9520

Place : Hyderabad
Date : 21.07.2020

For and on behalf of the Board of Directors of
**TAAZA INTERNATIONAL LIMITED**

Sd/-
**P. Ravinder Rao**
Managing Director
DIN: 01445527

Sd/-
**Akilurrahman Khan**
Director
DIN: 08460144

**Sd/-**
**Devanoori Srinivas**
CFO

## Statement of Profit and Loss and Other Comprehensive Income for the Year ended Mar 31, 2020

(Amount in Rupees)

| | PARTICULARS | Note No's | Year Ended March 31, 2020 | Year Ended March 31, 2019 |
|---|---|---|---|---|
| | **Continuing Operations** | | | |
| I | Revenue from operations | 18 | 10,422,500 | 70,763,426 |
| II | Other income | 19 | 1,839,240 | - |
| III | Net gain on de-recognition of financial assets at amortised cost | 20 | - | - |
| IV | Net gain on reclassification of financial assets | 21 | - | - |
| **V** | **Total income** | | **12,261,740** | **70,763,426** |
| VI | Expenses | | | |
| | (a) Cost of material Consumed | 22 | 10,451,250 | 90,618,606 |
| | (b) Purchase of Stock in Trade | | - | - |
| | (c) Changes in stock of finished goods, work-in progress and stock-in-trade | 23 | - | - |
| | (d) Employee benefits | 24 | 472,644 | 1,310,786 |
| | (e) Finance cost | 25 | 79,888 | 664,119 |
| | (f) Depreciation expense | 26 | 1,122,330 | 1,272,521 |
| | (g) Impairment expenses/losses | | - | - |
| | (h) Net loss on de-recognition of financial assets at amortized cost | | - | - |
| | (i) Net loss on reclassification of financial assets | | - | - |
| | (j) Other expenses | 27 | 751,700 | 3,497,727 |
| | **Total expenses (VI)** | | **12,877,812** | **97,363,757** |
| VII | Profit/(loss) before Share of profit/(loss) of associates / joint ventures, exceptional items and tax (V - VI)" | | (616,072) | (26,600,331) |
| VIII | Share of profit/(loss) of associates | | | |
| | Share of profit/(loss) of joint ventures | | | |
| IX | Profit/(Loss) before exceptional items and tax | | (616,072) | (26,600,331) |
| X | Exceptional itmes | | 4,792,076 | - |
| XI | Priori period expenses | | 3,544,875 | - |
| XII | Profit before Tax | | **(8,953,023)** | **(26,600,331)** |
| | Tax expense : | | | |
| | a. Current tax | | - | - |
| | b. Deferred tax | | (119,033) | (99,277) |
| XIII | Profit/(loss) for the year from continuing operations (XI-XII) | | **(8,833,990)** | **(26,501,054)** |
| XIV | Discontinued Operations | | | |
| XV | Profit/(loss) from discontinued operations | | - | - |
| XVI | Tax Expense of discontinued operations | | - | - |
| XVII | Profit/(loss) from discontinued operations (XIV +XV) | | - | - |
| XVIIIXVII | Profit/(loss) for the year (XIII+XVI) | | **(8,833,990)** | **(26,501,054)** |
| | Other comprehensive income(OCI) | | | |
| | A Items that will not be reclassified to profit or loss | | - | - |
| | B Items that may be reclassified to profit or loss | | - | - |

## Statement of Profit and Loss and Other Comprehensive Income for the Year ended Mar 31, 2020

(Amount in Rupees)

| PARTICULARS | Note No's | Year Ended March 31, 2020 | Year Ended March 31, 2019 |
|---|---|---|---|
| XIX.Total other comprehensive income(OCI) | | - | - |
| Total comprehensive income for the year (V+ VI) | | (8,833,990) | (26,501,054) |
| XX Earning per equity share (for Continuing Opertations) | | | |
| (i) Basic | | (1.22) | (3.65) |
| (ii) Diluted. | | (1.22) | (3.65) |
| XXI. Earnings per equity share (for discontinued operation): | | | |
| (i) Basic | | (0.00) | (0.00) |
| XXII. (ii) Diluted. | | (0.00) | (0.00) |
| XXIII Earnings per equity share | | | |
| (for Continued and discontinued operation) : | | | |
| (i) Basic | | (1.22) | (3.65) |
| (ii) Diluted. | | (1.22) | (3.65) |

The notes are an integral part of the financial statements
As per our report of even date

**For V. RAVI & CO.,**
Firm Registration Number : 006492S
Chartered Accountants

**CA D. Ramesh Kumar**
Partner
Membership No. 217139
UDIN: 20217139AAAADT9520

Place : Hyderabad
Date : 21.07.2020

For and on behalf of the Board of Directors of
**TAAZA INTERNATIONAL LIMITED**

Sd/-
**P. Ravinder Rao**
Managing Director
DIN: 01445527

Sd/-
**Akilurrahman Khan**
Director
DIN: 08460144

**Sd/-**
**Devanoori Srinivas**
CFO

## Statement of Changes in Equity

**For the year ended 31 March 2020**

**a. Equity share capital**

(Amount in Rs.)

| | Amount |
|---|---|
| **Balance as at the 1 April 2018** | **72,581,100** |
| Changes in equity share capital during 2018-19 | - |
| **Balance as at the 31 March 2019** | **72,581,100** |
| Changes in equity share capital during 2019-20 | - |
| **Balance as at the 31 March 2020** | **72,581,100** |

**b. Other equity**

(Amount in Rs.)

| | Reserves and surplus | | | | Items of Other comprehensive income (OCI) | Total |
|---|---|---|---|---|---|---|
| | General Reserve | Capital Reserve | Securities Premium Reserve | Retained earnings | Others | |
| Balance at 31 March 2018 | 1,443,435 | - | 4,400,000 | 34,812,242 | - | 40,655,677 |
| Total comprehensive income for the year ended 31 March 2019 | | | | | | |
| Profit or loss | | | - | (26,501,055) | - | (26,501,055) |
| Other comprehensive income (net of tax) | | | - | - | - | - |
| Total comprehensive income | - | | - | (26,501,055) | - | (26,501,055) |
| Transactions with owners in their capacity as owners | - | | - | - | - | - |
| Balance at 31 March 2019 | 1,443,435 | - | 4,400,000 | 8,311,187 | - | 14,154,622 |
| Total comprehensive income for the year ended 31 March 2020 | | | | | | |
| Profit or loss | | | - | (8,833,990) | - | (8,833,990) |
| Other comprehensive income (net of tax) | | | - | - | - | - |
| Total comprehensive income | - | | - | (8,833,990) | - | (8,833,990) |
| Transactions with owners in their capacity as owners | - | | - | - | - | - |
| Balance at 31 March 2020 | 22,800 | - | 4,202,500 | (522,802) | - | 5,320,633 |

As per our report of even date

For V. RAVI & CO.,
Firm Registration Number : 006492S
Chartered Accountants
**CA D. Ramesh Kumar**
Partner
Membership No. 217139
**UDIN: 20217139AAAADT9520P**

For and on behalf of the Board of Directors of
**TAAZA INTERNATIONAL LIMITED**

Sd/-
**Ravinder Rao**
Managing Director
DIN: 01445527

Sd/-
**Akilurrahman Khan**
Director
DIN: 08460144

Place : Hyderabad
Date : 21.07.2020

**Sd/-**
**Devanoori Srinivas**
**CFO**

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2020

**(Amount in Rupees)**

| | PARTICULARS | Year ended 31.03.2020 | Year ended 31.03.2019 |
|---|---|---|---|
| **A** | **CASH FROM OPERATING ACTIVITIES** | | |
| | (Loss)/Profit before tax and extraordinary items | (8,953,023) | (26,600,331) |
| | **Adjustment for:** | | |
| | Income tax expense recognised in profit or loss | - | - |
| | Finance costs recognised in profit or loss | - | - |
| | Investment income recognised in profit or loss | - | - |
| | Gain on disposal of property, plant and equipment | - | - |
| | Gain on disposal of a subsidiary | - | - |
| | Gain on disposal of interest in former associate | - | - |
| | Net (gain)/loss recorded in profit or loss on financial liabilities designated as at fair value through profit or loss | - | - |
| | Net (gain)/loss arising on financial assets mandatorily measured at fair value through profit or loss | - | - |
| | Net loss/(gain) arising held for trading financial liabilities | - | - |
| | Hedge ineffectiveness on cash flow hedges | - | - |
| | Net (gain)/loss on disposal of available-for-sale financial assets | - | - |
| | Impairment loss recognised on trade receivables | - | - |
| | Reversal of impairment loss on trade receivables | - | - |
| | Depreciation and amortisation of non-current assets | 1,122,330 | 1,272,521 |
| | Impairment of non-current assets | - | - |
| | Net foreign exchange (gain)/loss | - | - |
| | Expense recognised in respect of equity-settled share-based payments | - | - |
| | Expense recognised in respect of shares issued in exchange for goods/services | - | - |
| | Amortisation of financial guarantee contracts | - | - |
| | **Operating Profit before Working Capital Changes** | **(7,830,693)** | **(25,327,810)** |
| | **Movement for Working Capital:** | | |
| | Increase in trade and other receivables | (14,056,500) | 253,513,616 |
| | (Increase)/decrease in amounts due from customers under construction contracts | - | - |
| | (Increase)/decrease in inventories | 10,451,250 | 24,799,670 |
| | (Increase)/Decrease in Short term Loans & Advances | - | 20,776,000 |
| | (Increase)/decrease in other assets | 633,767 | (59,521) |
| | Decrease in trade and other payables | (5,107,711) | (274,225,836) |
| | Increase/(decrease) in amounts due to customers under construction contracts | - | - |
| | Increase/(decrease) in provisions | (876,976) | (1,916,286) |
| | (Decrease)/increase in deferred revenue | - | - |
| | (Decrease)/increase in other liabilities | - | - |
| | **Change in Working Capital** | **(8,956,170)** | **22,887,643** |
| | **Changes in non current assets and liabilities** | | |
| | Decrease/(Increase) in loans & advances | 90,720 | - |
| | Decrease/(Increase) in Long Term Provisions | - | (780,300) |
| | Decrease/(Increase) in Other non Current Assets | - | - |
| | Changes in non current assets and liabilities | 90,720 | (780,300) |
| | Cash generated from operations | (16,696,143) | (3,220,467) |
| | - Income taxes paid | - | - |
| | Net Cash flow before extraordinary items | (16,696,143) | (3,220,467) |
| | - Extraordinary & Prior period items | - | - |
| | **NET CASH FROM OPERATING ACTIVITIES** | **(16,696,143)** | **(3,220,467)** |

| | | | |
|---|---|---|---|
| **B** | **CASH FLOW FROM INVESTING ACTIVITIES:** | | |
| | Payments to acquire financial assets | 16,160,760 | - |
| | Proceeds on sale of financial assets | | - |
| | Interest received | | - |
| | Royalties and other investment income received | | - |
| | Dividends received from associates | | - |
| | Other dividends received | | - |
| | Amounts advanced to related parties | | - |
| | Repayments by related parties | | - |
| | Payments for property, plant and equipment | | - - |
| | Proceeds from disposal of property, plant and equipment | | - |
| | Payments for investment in equity shares | - | - |
| | Proceeds from disposal of investment property | - | - |
| | Payments for intangible assets | - | - |
| | Net cash outflow on acquisition of subsidiaries | - | - |
| | Net cash inflow on disposal of subsidiary | - | - |
| | Net cash inflow on disposal of associate | - | - |
| | **NET CASH FROM INVESTING ACTIVITIES** | **16,160,760** | **-** |
| **C** | **CASH FLOW FROM FINANCING ACTIVITIES** | | |
| | Proceeds from issue of equity instruments of the Company | - | - |
| | Proceeds from issue of CCD's | - | - |
| | Payment for share issue costs | - | - |
| | Payment for buy-back of shares | - | - |
| | Payment for share buy-back costs | - | - |
| | Proceeds from issue of redeemable preference shares | - | - |
| | Proceeds from issue of perpetual notes | - | - |
| | Payment for debt issue costs Proceeds from borrowings | - | - |
| | Repayment of borrowings | - | (4,224,396) |
| | Proceeds from government loans | - | - |
| | Proceeds on disposal of partial interest in a subsidiary that does not involve loss of control | - | - |
| | Dividends paid on redeemable cumulative preference shares | - | - |
| | Dividends paid to owners of the Company | - | - |
| | Interest paid | - | - |
| | Long Term Provisions | - | - |
| | NET CASH FROM FINANCING ACTIVITIES | - | (4,224,396) |
| | NET INCREASE IN CASH & CASH EQUIVALENTS | (535,383) | (7,444,863) |
| | Cash and cash equivalents at the beginning of the year 1.04.2019 | 2,054,965 | 9,499,828 |
| | Effects of exchange rate changes on the balance of cash held in foreign currencies | - | - |
| | Cash and cash equivalents at the end of the year as on 31.03.2020 | 1,519,582 | 2,054,965 |
| | **Reconciliation of cash and cash equivalents as per the cash flow Statement** | | |
| | **Cash and cash equivalents (Note 9 )** | **1,519,582** | **2,054,965** |
| | **Bank overdraft (Note _ )** | | |
| | **Balance as per statement of cash flows** | **1,519,582** | **2,054,965** |

The notes are an integral part of the financial statements

As per our report of even date

**For V. RAVI & CO.,**
Firm Registration Number : 006492S
Chartered Accountants
**CA D. Ramesh Kumar**

Partner
Membership No. 217139
UDIN: 20217139AAAADT9520

For and on behalf of the Board of Directors of
**TAAZA INTERNATIONAL LIMITED**

Sd/-
**P. Ravinder Rao**
Managing Director

Sd/-
**Akilurrahman Khan**
Director

Sd/-
**Devanoori Srinivas**
CFO

Place : Hyderabad
Date : 21.07.2020

**Notes on Accounts**

**NOTE NO. 1.1: PROPERTY, PLANT AND EQUIPMENT:**

**2: PROPERTY, PLANT AND EQUIPMENT :**

**( Amount in Rs.)**

| | Land | Computers | Furniture and Fixtures | Plant & Mahcinary | Vehicles | Office Equipment | Total |
|---|---|---|---|---|---|---|---|
| **Deemed cost (gross carrying amount)** | | | | | | | |
| Balance at 1 April 2018 | 16,160,760 | 811,919 | 829,786 | - | 7,881,572 | 1,069,420 | 26,753,457 |
| Additions | - | - | - | - | - | | - |
| Disposals | - | - | - | - | - | - | - |
| **Balance at 31 March 2019** | **16,160,760** | **811,919** | **829,786** | **-** | **7,881,572** | **1,069,420** | **26,753,457** |
| Additions | - | - | - | - | - | | - |
| Disposals | (16,160,760) | - | - | - | - | - | (16,160,760) |
| **Balance at 31 March 2020** | **-** | **811,919** | **829,786** | **-** | **7,881,572** | **1,069,420** | **10,592,697** |
| **Accumulated depreciation at 1 April 2018** | **-** | **661,728** | **428,680** | **-** | **4,145,499** | **506,767** | **5,742,674** |
| Depreciation for the year | - | 150,191 | 78,830 | - | 936,331 | 107,170 | 1,272,521 |
| **Balance at 31 March 2019** | **-** | **811,919** | **507,510** | **-** | **5,081,830** | **613,937** | **7,015,195** |
| Depreciation for the year | - | - | 78,830 | - | 936,331 | 107,170 | 1,122,330 |
| **Balance at 31 March 2020** | **-** | **811,919** | **586,339** | **-** | **6,018,161** | **721,106** | **8,137,525** |
| **Carrying amounts(net)** | | | | | | | |
| **At 1 April 2018** | **16,160,760** | **150,191** | **401,106** | **-** | **3,736,073** | **562,653** | **21,010,783** |
| **At 31 March 2019** | **16,160,760** | **0** | **322,276** | **-** | **2,799,742** | **455,483** | **19,738,262** |
| **At 31 March 2020** | **-** | **0** | **243,447** | **-** | **1,863,411** | **348,314** | **2,455,172** |

**Note 1.2: Other Intangible Assets**

| | | |
|---|---|---|
| **Cost/Deemed Cost:** | | |
| at 1st April 2018 | - | - |
| Additions | - | - |
| Deletions | | - |
| **As at March 2019** | **-** | **-** |
| Additions | - | - |
| Deletions | | - |
| **As at March 2020** | **-** | **-** |
| **Depreciation/Impairment** | | **-** |
| **at 1st April 2018** | - | - |
| Depreciation for the year | - | - |
| Disposals | | - |
| **As at March 2019** | **-** | **-** |
| Depreciation for the year | - | - |
| Disposals | | - |
| Imapaitmenty | - | - |
| **As at March 2020** | **-** | **-** |
| **Net Book Value** | | |
| As at March 2020 | - | - |
| As at March 2019 | - | - |

## Notes annexed to and forming part of the Financial Statements

### Note.2 : Invesments

| S.No. | PARTICULARS | As at Mar 31, 2020 | As at March 31, 2019 |
|---|---|---|---|
| | **Non Current** | | |
| 1 | Investments in quoted shares | - | - |
| 2 | investment in unquoted shares of subsidiaries | 8,667,576 | 8,667,576 |
| 3 | invetment in Joint Ventures | - | - |
| 4 | investment in Preference Shares | - | - |
| 5 | Investment in partnerships | - | - |
| | **Total** | **8,667,576** | **8,667,576** |
| | **Current** | | |
| 1 | Investments in quoted shares | - | - |
| 2 | investment in unquoted shares of subsidiaries | - | - |
| 3 | invetment in Joint Ventures | - | - |
| 4 | investment in Preference Shares | - | - |
| 5 | Investment in partnerships | - | - |
| | **Total** | **-** | **-** |

### Note 3:Trade Receivables

| S.No. | PARTICULARS | As at Mar 31, 2020 | As at March 31, 2019 |
|---|---|---|---|
| | **Non Current** | | |
| **A** | **Secured and considered good:** | | |
| | -From Related party | - | - |
| | -From Others | - | - |
| **B** | **Unsecured and considered good:** | | |
| | -From Related party | - | - |
| | -From Others | - | - |
| **C** | **Doubtful:** | | |
| | -From Related party | | |
| | -From Others | - | - |
| | Less: allowance for doubtfull debts | | - |
| | **Total** | **-** | **-** |
| | **Current:** | | |
| **A** | **Secured and considered good:** | | |
| | -From Related party | - | - |
| | -From Others | - | - |
| **B** | **Unsecured and considered good:** | | |
| | -From Related party | - | - |
| | -From Others | 69,269,582 | 55,213,082 |
| **C** | **Doubtful:** | | |
| | -From Related party | - | - |
| | -From Others | - | - |
| | Less: allowance for doubtfull debts | - | - |
| | **Total** | **69,269,582** | **55,213,082** |

## Note 4: Loans

| S.No. | PARTICULARS | As at Mar 31, 2020 | As at March 31, 2019 |
|---|---|---|---|
| | **Non Current:** | | |
| | **Loans :** | | |
| 1 | To related parties | - | - |
| 2 | to other boady corporate | - | - |
| 3 | to employees | - | - |
| 4 | Securirty Deposits: | - | - |
| 5 | Less: allowances for Doubfull loans | - | - |
| | **Total Loans** | **-** | **-** |
| | **Notes:** | | |
| 1 | Considered fgood | | |
| 2 | Considered Doubt full, Provided: | - | - |
| 3 | To related parties | - | - |
| 4 | to other boady corporate | - | - |
| 5 | to employees | - | - |
| | **Total** | **-** | **-** |
| | **Current:** | | |
| | **Loans :** | | |
| 1 | To related parties | - | - |
| 2 | to other boady corporate | - | - |
| 3 | to employees | - | - |
| 4 | Securirty Deposits: | - | - |
| 5 | Less: allowances for Doubfull loans | - | - |
| | **Total** | **-** | **-** |
| | **Notes:** | | |
| 1 | Considered fgood | | |
| 2 | Considered Doubt full, Provided: | - | - |
| 3 | To related parties | - | - |
| 4 | to other boady corporate | - | - |
| 5 | to employees | - | - |

## Note 5: Other Financial Assets

| S.No. | PARTICULARS | As at Mar 31, 2020 | As at March 31, 2019 |
|---|---|---|---|
| | **Non Current** | | |
| 1 | Export benefits and entitlements | - | - |
| 2 | Insurance claims recievable | - | - |
| 3 | Advances toiwards equity/preference share capital | - | - |
| 4 | Derivative instrucments: | | |
| a | Dreivative instruments at fair value | - | - |
| b | Cash flow hedges | - | - |
| c | Foreign exchange forward contracts | - | - |
| | Total Derivative Instruments at fair value through OCI | - | - |
| 5 | Derivative instruments at fair value through profit or loss through OCI: | | |
| | Derivatives not designated as hedges | | |
| | Foreign exchange **forward** contracts | | |
| | Embedded derivatives | | |
| | Total derivative instruments at fair value through profit or loss | - | - |
| | **Total Financial Assets** | **-** | **-** |
| | **Current** | | |
| 1 | Export benefits and entitlements | - | - |
| 2 | Insurance claims recievable | - | - |
| 3 | Advances toiwards equity/preference share capital | - | - |
| 4 | Derivative instrucments: | | |
| a | Dreivative instruments at fair value | - | - |
| b | Cash flow hedges | - | - |
| c | Foreign exchange forward contracts | - | - |
| | Total Derivative Instruments at fair value through OCI | - | - |
| 5 | Derivative instruments at fair value through profit or loss through OCI: | | |
| | Derivatives not designated as hedges | | |
| | Foreign exchange forward contracts | | |
| | Embedded derivatives | | |
| | **Total derivative instruments at fair value through profit or loss** | **-** | **-** |

**Note 6: Income Taxes**

| S.No. | PARTICULARS | As at Mar 31, 2020 | As at March 31, 2019 |
|---|---|---|---|
| | a). Current Tax liability | | |
| | Opening Balance | 1,547,312 | 2,744,425 |
| | Add: Current tax payble for the year | 1,547,312 | 2,744,425 |
| | Less: Taxes Paid | 780,275 | 1,197,113 |
| | Less: TDS Recievables/Advance Tax | - | - |
| | **Closing balances** | **767,037** | **1,547,312** |
| | **b). Current Tax Asset** | | |
| | **Opening Balance** | | |
| | Add: Taxes paid/TDS Receivable | - | - |
| | Less: Current tax payable for the year | - | - |
| | Closing Balance | - | - |
| | **c). Differed Tax Asset** | | |
| | Differed tax Asset - (A) | | |
| | Provision for Emplyoees | | |
| | Waranty Provisions | | |
| | Loss allowance on financial and Contract Assets | | |
| | Others | | |
| | **Sub Total (A)** | **-** | |
| | **Differred tax Liabilty- (B)** | | |
| | Opening Balance | (285,770) | (186,493) |
| | Provision for Deferred Tax Liabilities | (119,033) | -99277 |
| | **Sub Total (B)** | **(404,803)** | **(285,770)** |
| | **Total (A-B)** | **404,803** | **285,770** |

**Note 7: Other Non Current Assets**

| S.No. | PARTICULARS | As at Mar 31, 2020 | As at March 31, 2019 |
|---|---|---|---|
| **A** | **Other Non-Current Assets** | | |
| | Capital Advances | - | - |
| | Advances other than capital advances | - | - |
| | **Security Deposits:** | - | - |
| | Government Authorities | 4,663,000 | 4,753,720 |
| | — Advances to Related Parties | - | - |
| | — Other Deposits | - | - |
| | **Total of Other Non-current Assets** | **4,663,000** | **4,753,720** |

**Note 8: Inventories**

| S.No. | PARTICULARS | As at Mar 31, 2020 | As at March 31, 2019 |
|---|---|---|---|
| 1 | Raw Material | - | - |
| 2 | stocks | - | 10,451,250 |
| 3 | Work In Process | - | - |
| 4 | Finished Goods | - | - |
| 5 | Consumbles & Stores and Spares | - | - |
| 6 | Property under Development | - | - |
| | **Total Inventories** | **-** | **10,451,250** |

**Notes 8: Disclaousre of Inventories pledged as security for liabilties as follows**

| S.No. | PARTICULARS | As at Mar 31, 2020 | As at March 31, 2019 |
|---|---|---|---|
| **A** | **As at 31st March 2020** | | |
| a | Raw Material | - | - |
| b | Work In Process | - | - |
| c | Finished Goods | - | - |
| **B** | **As at 31st March 2019** | | |
| a | Raw Material | - | - |
| b | Work In Process | - | - |
| c | Finished Goods | - | |
| **C** | **As at 31st March 2018** | | |
| a | Raw Material | - | - |
| b | Work In Process | - | - |

**Note 9: Cash and Cash Equivalents**

| S.No. | PARTICULARS | As at Mar 31, 2020 | As at March 31, 2019 |
|---|---|---|---|
| 1 | Cash and Cash Equivalents (Note 9.1) | 1,519,582 | 2,054,965 |
| 2 | Bank Balances other than Cash and Cash Cash Equivalents | - | - |
| | **Total Cash and Cash Equivalents** | **1,519,582** | **2,054,965** |

**Notes:**

1. In the Balance sheet Cash comprises cash and demand deposits.
2. Cash equivalents are held for the purpose of short term cash commitments rather than for investment or other purpose

**Note 9.1: Cash and Cash Equivalents**

| S.No. | PARTICULARS | As at Mar 31, 2020 | As at March 31, 2019 |
|---|---|---|---|
| | **Bank and Cash Balances** | | |
| | **On Current Accounts:** | | |
| **1** | **Balances with Scheduled Banks** | 1,441,662 | 1,477,045 |
| 2 | Fixed Deposits | - | - |
| 3 | Cheques/dafts on hand | - | - |
| 4 | Cash on hand | 77,920 | 577,920 |
| | **Total Cash and Cash Equivalents** | **1,519,582** | **2,054,965** |

**Note 10: Other Current Assets**

| S.No. | PARTICULARS | As at Mar 31, 2020 | As at March 31, 2019 |
|---|---|---|---|
| | **Other Current Assets** | | |
| **1** | **Capital Advances:** | - | - |
| | Advances to Plant and Machinery | - | - |
| **2** | **Advances other than capital advances:** | | |
| | MAT Credit Entitilement | | |
| 3 | Security Deposits | - | - |
| 4 | Advances to suppliers | 6,031,887 | 2,531,887 |
| **5** | **Other Advances:** | | |
| | GST Input | - | 1,095,337 |
| | Advances for Expenses | - | - |
| | Interest Receivable | - | - |
| | Prepaid Expenses | - | - |
| | Income tax Refundable | - | 234,430 |
| | TDS Recievable | - | - |
| | Advance Tax | - | - |
| | Other Advances | - | 2,804,000 |
| | **Total of Other current Assets** | **6,031,887** | **6,665,654** |

**Notes annexed to and forming part of the Financial Statements**

**Note 11: Equity share capital**

**a. Equity share capital**

| | As At March 31, 2020 | | As At March 31, 2019 | |
|---|---|---|---|---|
| | Number | Amount in Rs. | Number | Amount in Rs. |
| Authorised | | | | |
| Equity shares of Rs. 10 each | 10,000,000 | 100,000,000 | 10,000,000 | 100,000,000 |
| **Issued** | | | | |
| Equity shares of Rs. 10 each | 7,258,110 | 72,581,100 | 7,258,110 | 72,581,100 |
| **Subscribed and Paid-up** | | | | |
| Equity shares of Rs. 10 each fully paid-up | 7,258,110 | 72,581,100 | 7,258,110 | 72,581,100 |
| **Total** | **7,258,110** | **72,581,100** | **7,258,110** | **72,581,100** |

**Foot note:**

**(a) Reconciliation of the number of shares outstanding as at March 31, 2018, March 31, 2017 and April 1, 2016:**

| | As At March 31, 2018 | | As At March 31, 2017 | | As At April 1, 2016 | |
|---|---|---|---|---|---|---|
| | Number | Amount in Rs. | Number | Amount in Rs. | Number | Amount in Rs. |
| Equity Shares outstanding at the beginning of the year | 72,58,110 | 7,25,81,100 | 72,58,110 | 7,25,81,100 | 72,58,110 | 7,25,81,100 |
| Additon during the year | - | - | - | - | - | - |
| Equity Shares outstanding at the end of the year | 72,58,110 | 7,25,81,100 | 72,58,110 | 7,25,81,100 | 72,58,110 | 7,25,81,100 |

**Details of Shareholders holding more than 5 % shares:**

| | As At March 31, 2018 | | As At March 31, 2017 | | As At April 1, 2016 | |
|---|---|---|---|---|---|---|
| | No. of Shares | % of Holding | No. of Shares | % of Holding | No. of Shares | % of Holding |
| 1 G.V.B.Narayanamma | 4,81,758 | 6.64% | 4,81,758 | 6.64% | 4,81,758 | 6.64% |
| 2 P. Ravinder Rao | 16,73,835 | 23.06% | 16,73,835 | 23.06% | 16,73,835 | 23.06% |
| 3 P.V.Ravi Kumar | 12,33,975 | 17.00% | 12,32,304 | 16.98% | 11,26,153 | 16.98% |

(c) Terms and rights attached to the equity shares:

The Company has only one class of equity shares having par value of Rs.10/- each. Each holder of equity shares is entitled for one vote per share. Distribution of dividends and repayment of capital, if any, by the company, shall be subject to the provisions of applicable laws.

## Notes annexed to and forming part of the Financial Statements

## Note 11: Equity share capital

### a. Equity share capital

| | As At March 31, 2020 | | As At March 31, 2019 | |
|---|---|---|---|---|
| | Number | Amount in Rs. | Number | Amount in Rs. |
| Authorised | | | | |
| Equity shares of Rs. 10 each | 10,000,000 | 100,000,000 | 10,000,000 | 100,000,000 |
| **Issued** | | | | |
| Equity shares of Rs. 10 each | 7,258,110 | 72,581,100 | 7,258,110 | 72,581,100 |
| **Subscribed and Paid-up** | | | | |
| Equity shares of Rs. 10 each fully paid-up | 7,258,110 | 72,581,100 | 7,258,110 | 72,581,100 |
| **Total** | **7,258,110** | **72,581,100** | **7,258,110** | **72,581,100** |

### b. Reconciliation of the number of equity shares outstanding and the amount of share capital

| | As At March 31, 2020 | | As At March 31, 2019 | |
|---|---|---|---|---|
| | Number | Amount in Rs. | Number | Amount in Rs. |
| **Equity Shares** | | | | |
| **Issued and Subscribed:** | | | | |
| Shares outstanding at the beginning of the year | 7,258,110 | 72,581,100 | 1,547,883 | 15,478,830 |
| Add: Issued During the year for cash | - | - | - | - |
| Add:Shares issued at ESOP trust | - | - | - | - |
| Shares outstanding at the end of the year | **7,258,110** | **72,581,100** | **1,547,883** | **15,478,830** |

**c. Terms / rights attached to equity Shares**

The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. 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 shareholdings.

**d.** Shares reserved for issue underwriter options — Nil

**e.** Detail of Rights Issues — Nil

**f.** details of shares held by Holding/Ultimatley Holding Company — Nil

**g.** Details of shares issued for consideration other than cash — Nil

**h.** Shares in the company held by each shareholder holding more than 5 percent

| Name of the Shareholder | As at Mar 31, 2020 | | As at Mar 31, 2019 | |
|---|---|---|---|---|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| G.V.B.Narayanamma | 481,758 | 6.64% | 481,758 | 6.64% |
| P. Ravinder Rao | 1,673,835 | 23.06% | 1,673,835 | 23.06% |
| P.V.Ravi Kumar | 1,233,975 | 17.00% | 1,233,975 | 17.00% |
| P. Srinivasa Rao | 365,543 | 5.04% | 365,543 | 5.04% |

**i. Dividend Declaration Details**

Amount in Rs.

| Particualrs | As at Mar 31, 2020 | As at Mar 31, 2019 |
|---|---|---|
| Cash Dividend Declared for the Year 31 march 2019 | - | - |
| Dividend Distribution Tax on fianl Dividend | - | - |
| Interim Dividend for the year ended on 31March 2020 | | |
| **Total** | **-** | **-** |
| Proposed Dividend on Equity Shares | | |
| Final Dividend for the year ended 31 March 2020 | | |
| Distribution Tax on Proposed Dividend | | |
| **Total** | **-** | **-** |

**Note 12 Other equity**

**(A)**

| | As at Mar 31, 2020 | As at Mar 31, 2019 |
|---|---|---|
| **Capital Reserve:** | | |
| Balance at the beginning of the year | - | - |
| Add: Addition During the Year | - | - |
| **Balance at the end of the year** | **-** | **-** |
| **General Reserve** | | |
| Balance at the beginning of the year | 1,443,435 | 1,443,435 |
| Add: Addition During the Year | - | - |
| **Balance at the end of the year** | **1,443,435** | **1,443,435** |
| **Securities Premium:** | | |
| Balance at the beginning of the year | 4,400,000 | 4,400,000 |
| Add: Securities Premium on shares issued during the year | - | - |
| **Balance at the end of the year** | **4,400,000** | **4,400,000** |
| **Retained earnings** | | |
| Balance at the beginning of the year | 8,311,188 | 34,812,242 |
| Add: Addition During the Year | (8,833,990) | (26,501,054) |
| Balance at the end of the year | (522,802) | 8,311,188 |
| **Total other Equity** | **5,320,633** | **14,154,623** |

**(B) Other Reserves**

| | As at Mar 31, 2020 | As at Mar 31, 2019 |
|---|---|---|
| **Debentures Redemption Reserves:** | | |
| Balance at the beginng of the year | - | - |
| Add: Addition during the Year | - | - |
| **Balance at the end of the year** | **-** | **-** |
| **Capital Redemption Reserves:** | | |
| Balance at the beginng of the year | - | - |
| Add: Addition during the Year | - | - |
| **Balance at the end of the year** | **-** | **-** |
| **Investment Fluctuation Reserves:** | | |
| Balance at the beginng of the year | - | - |
| Add: Addition during the Year | - | - |
| **Balance at the end of the year** | **-** | **-** |
| **Total Other Reserves** | **-** | **-** |

**Note 13: Borrowings**

| S.No. | PARTICULARS | As at Mar 31, 2020 | As at March 31, 2019 |
|---|---|---|---|
| | **Non-Current:** | | |
| 1 | Bonds | - | - |
| 2 | Debentures(Secured) | - | - |
| **3** | **Term loans:** | | |
| **i** | **Secured:** | | |
| ii | Working Capital | - | - |
| iii | Deferred payment liabilities | - | - |
| iv | Other Loans | - | - |
| v | -Finance lease obligations | - | - |
| vi | - Preference shares | - | - |
| **4** | **Unsecured Loans** | | |
| | From Directors | - | - |
| | "Loans fom Individuals other than" Banks" | - | - |
| | **Total** | **-** | **-** |
| | **Current:** | | |
| 1 | Bonds | - | - |
| 2 | Debentures(Secured) | - | - |
| 3 | Term loans: | | |
| i | Secured | | |
| ii | Unsecured | - | - |
| iii | From banks | | |
| iv | Working Capital | - | - |
| v | Deferred payment liabilities | - | - |
| vi | Other Loans | - | - |
| vii | -Finance lease obligations | - | - |
| viii | - Preference shares | - | - |
| 4 | Unsecured Loans | | |
| i | Loans fom Individuals other than Banks | | |
| | **Total** | **-** | **-** |

**Note 14: Trade Payables**

| S.No. | PARTICULARS | As at Mar 31, 2020 | As at March 31, 2019 |
|---|---|---|---|
| | **Non Current:** | | |
| A | Trade payables | | |
| | a). Total Outstanding Dues to Micro, Small and Medium Enterprises | - | - |
| | b). Total Outstanding Dues to other than Micro, Small and Medium Enterprises | - | - |
| | **Sub Total** | **-** | **-** |
| | **Total** | **-** | **-** |
| | **Current:** | | |
| **A** | **Trade payables** | | |
| | Dues to Micro, Small and Medium Enterprises | - | - |
| | Others | 9,691,294 | 14,799,005 |
| **B** | **Trade payables** | | |
| | a). Total Outstanding Dues to Micro, Small and Medium Enterprises | - | - |
| | b). Total Outstanding Dues to other than Micro, Small and Medium Enterprises | - | - |
| | **Total** | **9,691,294** | **14,799,005** |

Note: Dues to micro and small enterprises - As per Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED' Act) This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

| S.No. | PARTICULARS | As at Mar 31, 2020 | As at March 31, 2019 |
|---|---|---|---|
| | Principal amount remaining unpaid to any supplier as at the end of the year. | 9,691,294 | 14,799,005 |
| | Amount of interest due remaining unpaid to any supplier as at the end of the year | - | - |
| | Amount of interest paid under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year. | - | - |
| | Amount of interest due and payable for the period of delay in making payment (where the principal has been paid but interest under the MSMED Act, 2006 not paid) | - | - |
| | Amount of interest accrued and remaining unpaid at the end of year. | - | - |
| | Amount of further interest remaining due and payable even in the succeeding year | - | - |

**Note 15:Other Financial Liabilities**

| S.No. | PARTICULARS | As at Mar 31, 2020 | As at March 31, 2019 |
|---|---|---|---|
| | **Non Current:** | | |
| 1 | Invester enducation protection fund | | |
| **4** | **Others:** | | |
| i | Retention money for capital projects | - | - |
| ii | Payble towards capital expenditure | - | - |
| iii | Payble towards Services received | - | - |
| iv | Payble towards other expenses | - | - |
| v | Interest accrued but no due on borrowings | - | - |
| | **Total** | **-** | **-** |
| | **Current** | | |
| 1 | Current Maturities of Long Term Borrowings | - | - |
| 2 | Current Maturities of finance lease obligation | - | - |
| 3 | Invester enducation protection fund | - | - |
| **4** | **Others:** | | |
| i | Retention money for capital projects | - | - |
| ii | Payble towards capital expenditure | - | - |
| iii | Payble towards Services received | - | - |
| iv | Payble towards other expenses | - | - |
| v | Interest accrued but no due on borrowings | - | - |
| | **Total** | **-** | **-** |

**Note 16: Provisions**

| S.No. | PARTICULARS | As at Mar 31, 2020 | As at March 31, 2019 |
|---|---|---|---|
| | **Non Current:** | | |
| | a). Provision for Emplyoee Bebefits | | |
| | For Provident Fund | - | - |
| | For gratuity | - | - |
| | Provision for compensated absences | - | - |
| | b). Others | | |
| | Service Waranties | - | - |
| | Statutory Dues | - | - |
| | Legal Calims | - | - |
| | **Total** | **-** | **-** |
| | **Current:** | | |
| | a). Provision for Emplyoee Bebefits | | |
| | For Provident Fund | - | - |
| | For gratuity | - | - |
| | Provision for compensated absences | - | - |
| | b). Others | | |
| | Service Waranties | - | - |
| | Statutory Dues | - | - |
| | Legal Calims | - | - |
| | **Total** | **-** | **-** |

**Note 17 : Other current Liabilities**

| S.No. | PARTICULARS | As at Mar 31, 2020 | As at March 31, 2019 |
|---|---|---|---|
| | a). Revenue Received in Advance | | |
| | Advances From customers | - | - |
| | b). Other Payables | | |
| | Statutory Dues Payable | 67,379 | 67,379 |
| | Interest Payable | - | - |
| | TDS payable | - | 12,920 |
| | Salaries and Wages payable | - | - |
| | Marketing Salaries - Field Staff Payable | - | - |
| | Directors Remuneration Payable | - | - |
| | Bonus payable | - | - |
| | Electricity Charges Payable | - | - |
| | VAT Payable | - | 30,562 |
| | Unpaid Dividend for the year 2010-11 | 3,319,865 | 3,319,865 |
| | Unpaid Dividend tax for the year 2010-11 | 1,205,481 | 1,205,481 |
| | Other provisions | 58,811 | 112,030 |
| | Contractor's dues | - | - |
| | **Total** | **4,651,536** | **4,748,237** |

**Note 18: Revenue from operations**

| S.No. | PARTICULARS | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|---|---|---|---|
| **A** | **Revenue from contracts with customers disaggregated based on nature of product or services** | | |
| | **Revenue from Sale of Products** | | |
| | a). Sale of Manufactured Goods | | |
| | b). Stock in Trade | 10,422,500 | 70,763,426 |
| | **Net Revenue** | **10,422,500** | **70,763,426** |
| | **Revenue from Sale Service** | | |
| | a). Software servieces | - | - |
| | b). Other Services | - | - |
| | **Sub total** | **-** | **-** |
| | Other Operating Revenues | | |
| | a). Export Incentives | | |
| | b). Royalty Received | | |
| | From subsidiaries and associates | | |
| | From others | | |
| | c). Scrap Sale | | |
| | d). Others | | |
| | **Sub total** | **-** | **-** |
| | **Total Revenue from Operations** | **10,422,500** | **70,763,426** |
| **B** | **Disaggregated revenue information** | | |
| | **Revenue from contracts with customers disaggregated based on geography** | | |
| | a). Domestic | | |
| | b). Export | - | - |
| | | - | - |
| | C) Reconciliation of Gross Revenue from Contracts With Customers | | |
| | Gross Revenue | - | - |
| | Less: Discount | | |
| | Less: Returns | | |
| | Less: Price Concession | | |
| | Less: Incentives and performance bonus | | |
| | Less: Goods and Service Tax | | |
| | Net Revenue recognised from Contracts with Customers | - | - |

C1 Terms conditions on performance waranty

C2 Credit period

C3 The Company does not have any remaining performance obligation as contracts entered for sale of goods are for a shorter duration. There are no contracts for sale of services wherein, performance obligation is unsatisfied to which transaction price has been allocated.

**Note 19: Other Income**

| S.No. | PARTICULARS | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|---|---|---|---|
| | Interest income | | |
| | a). Financial assets mandatorily measured at fair value through profit or loss | - | - |
| | b). Interest income on financial assets fair valued through other comprehensive income | | |
| | -Non Convertible debentures | - | - |
| | c). Financial assets carried at amortised cost | | |
| | Tax free bonds and government bonds | - | - |
| | Deposits with banks and others | - | - |
| | **Sub total (i)** | **-** | **-** |
| | **Dividend Income** | | |
| | "a).Investments mandatorily measured at fair value through profit or loss | - | - |
| | "b).Equity investment designated at fair value through other comprehensive income | - | - |
| | **Sub total (ii)** | | |
| | **Profit on Sale of Fixed Assets (iii)** | **1,839,240** | **-** |
| | **Total(i+ii+iii)** | **1,839,240** | **-** |

**Note 20: Net gain on de-recognition of financial assets at amortised cost**

| S.No. | PARTICULARS | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|---|---|---|---|
| | Profit on sale of land and buildings | - | - |
| | Written off of liability | - | - |
| | **Total Gain** | **-** | **-** |

**Note 21: Net gain on reclassification of financial assets**

| S.No. | Deposits with banks and others | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|---|---|---|---|
| | Profit on sale of land and buildings | - | - |
| | Written off of liability | - | - |
| | **Total Gain** | **-** | **-** |

**Note 22 Cost of Material Consumed**

| S.No. | Deposits with banks and others | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|---|---|---|---|
| | **A. Raw Material Consumed** | | |
| | Raw materials at the beginning of the year | 10,451,250 | 35,250,920 |
| | Add: Purchases During the year | - | 65,818,936 |
| | Less: Raw materials at the end of the year | - | 10,451,250 |
| | **Total cost of raw material consumed** | **10,451,250** | **90,618,606** |
| | B). Packing Material | | |
| | Packing materials at the beginning of the year | - | - |
| | Add : Purchases During the year | | |
| | Less: Packing materials at the end of the year | - | - |
| | **Total cost of packing materials consumed (B)** | **-** | **-** |
| | **Total cost of Materials consumed (B)** | **10,451,250** | **90,618,606** |

**Note 23 Changes in inventories of finished goods, work-in-progress and stock-in-trade**

| S.No. | PARTICULARS | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|---|---|---|---|
| | Opening Balnce | | |
| | Finished Goods | | |
| | Work in Progress | | |
| | Stock in Trade (Including Goods in Transit) | | |
| | Spares and Consumables | | |
| | **Total Opening Balances** | **-** | **-** |
| | **Closing Balance** | | |
| | Finished Goods | | |
| | Work in Progress | | |
| | Stock in Trade (Including Goods in Transit) | | |
| | Spares and Consumables | | |
| | **Total Closing Balance** | **-** | **-** |
| | **Total Changes in inventories of finished goods, work-inprogress and stock-in-trade** | **-** | **-** |

**Note 24 Emplyoee Benefits**

| S.No. | PARTICULARS | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|---|---|---|---|
| | Salaries, Wages, Bonus etc. | 472,644 | 922,296 |
| | Contribution to P.F, E.S.I and Other Statutory Funds | | |
| | Employee share based payment expenses | - | - |
| | Gratuity | - | - |
| | Leave compensation | - | - |
| | Post-employment pension benefits | - | - |
| | Post-employment medical benefits | - | - |
| | Staff welfare expenses | - | 388,490 |
| | **Total Employee benefits** | **472,644** | **1,310,786** |

**Note 25 Finance Cost**

| S.No. | PARTICULARS | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|---|---|---|---|
| | Interest and finance charges on financial liabilities carried at amortised cost | | |
| | a). Interest on Bank Borrowings | | |
| | b). Interest on Cash Credit | 79,888 | 9,979 |
| | c). Interest on LC/BG Discount | - | 654,140 |
| | d). Other Interest Expenses(Bank Charges) | | |
| | Less: Amount Capitalised | | |
| | **Total Interest on financial liabilities carried at amortised cost** | **79,888** | **664,119** |
| | Intest on Trade payables (as per MSME Act) | - | - |
| | Interest on delayed payment of statutory dues | - | - |
| | Unwinding of discount on provision | - | - |
| | Exchange difference regarded as adjustment to borrowing costs | - | - |
| | Dividend on redeemable preference shares (including dividend distribution tax) | - | - |
| | **Total Finance Cost** | **79,888** | **664,119** |

**Note 26 Depreciation and Amortisation Expenses**

| S.No. | PARTICULARS | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|---|---|---|---|
| | Depreciation on plant, property and equipment | 1,122,330 | 1,272,521 |
| | Depreciation on Investment properties | - | - |
| | Amortisation on Intangible assets | - | - |
| | **Total depreciation and Amortisation expenses** | **1,122,330** | **1,272,521** |

**Note 27 : Other expenses**

| S.No. | PARTICULARS | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|---|---|---|---|
| | Packing & forwarding Charges | - | 159,966 |
| | Repairs & maintenance | 5,000 | 315,872 |
| | Sales & marketing expenses | 114,245 | 89,923 |
| | Power & fuel | 1,772 | 106,589 |
| | General office expenses | 388,091 | 625,760 |
| | Interest on Tax | 5,350 | 340,184 |
| | Director Remuneration | - | - |
| | Auditors remuneration | 100,000 | 50,000 |
| | Retainer ship fee | - | 130,800 |
| | Professional & Commission Charges | - | 14,750 |
| | Printing & Stationary | - | 60,759 |
| | Rent, rates & taxes | 136,160 | 689,121 |
| | Communication expenses | 1,082 | 9,747 |
| | Travelling & Conveyace | - | 904,256 |
| | **Total** | **751,700** | **3,497,727** |

**27.1 Payment to Auditors**

| S.No. | PARTICULARS | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|---|---|---|---|
| | As An Auditor | | |
| | - Audit Fees | 100,000 | 59000 |
| | - Tax Audit | - | - |
| | - Limited Review | - | - |
| | In Other Capacity | | |
| | - Taxation Matters | - | - |
| | - Company Law matters | - | - |
| | - Certification matters | - | - |
| | - Reimbursement of Expenses | - | - |
| | **Total Payment to Auditor** | **100,000** | **59000** |

**27.2 Corporate Social Responsibility( CSR) Not Applicable to this period**

| S.No. | PARTICULARS | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|---|---|---|---|
| | Amount required to be spent as per Section 135 of the Companies Act, 2013 | - | - |
| | **Amount spent during the year on:** | **-** | **-** |
| | | - | - |

**Notes to accounts**

**Corporate Information:**

TAAZA INTERNATIONAL LIMITED ("the Company") was incorporated in India in the year 2001having its Registered office at Plot No. 29, Kharkhana Road, HACP Colony Secunderabad Hyderabad TG 500009 IN.

**Disclosure of Significant Accounting Policies:**

**1. Basis for Preparation of Standalone Financial Statements:**

**a) Compliance with Indian Accounting Standards (Ind AS)**

The Ind AS financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of the Companies Act, 2013.

The Ind AS financial statements have been prepared on the historical cost basis exceptfor certain instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Accordingly, the Company has prepared these Financial Statements which comprise the Balance Sheet as at 31 March, 2020, the Statement of Profit and Loss for the year ended 31 March 2020, the Statement of Cash Flows for the year ended 31 March 2020, Statement of Changes in Equity and accounting policies and other explanatory information (together hereinafter referred to as 'Ind AS Financial Statements' or 'financial statements').

These financial statements are approved by the Board of Directors on 21.07.2020.

**b) Basis of Preparation of financial statements**

The separate financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) under historical cost convention on accrual basis as per the provisions of Companies Act 2013.

- Financial instruments – measured at fair value;
- Assets held for sale–measure daft air value less cost of sale;
- Plan assets under defined benefit plans–measure daft air value
- Employee share-based payments–measure daft air value
- Biological assets–measure daft air value
- In addition, the carrying values of recognized assets and liabilities, designated as hedged items in fair value hedges that would otherwise be carried at cost, are adjusted to record changes in the fair values attributable to the risks that are being hedged in effective hedge relationship.

**Current and Non-Current Classification:**

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is classified as current when it satisfies any of the following criteria: it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle.it is held primarily for the purpose of being traded;

- It is expected to be realized within 12 months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.
- All other assets are classified as non-current.
- A liability is classified as current when it satisfies any of the following criteria:

- It is expected to be settled in the Company's normal operating cycle;
- It is held primarily for the purpose of being traded
- It is due to be settled within 12 months after the reporting date; or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification
- All other liabilities are classified as non-current

**c) Use of estimates and judgment**

The preparation of the financial statements in conformity with Ind AS, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

This note provides an overview of the areas where there is a higher degree of judgment or complexity. Detailed information about each of these estimates and judgments is included inrelevantnotestogetherwithinformationaboutthebasisofcalculation.

The areas involving critical estimates or judgments are:

| S.no | Name of the estimate | Note No | Remarks |
|---|---|---|---|
| 1 | Fair value of unlisted equity securities | Not applicable | No unlisted equity shares are held by the company during the current financial year |
| 2 | Goodwill impairment | Not applicable | No amount provided during the current Financial yea |
| 3 | Useful life of intangible asset | Not Applicable | No intangible assets held by the company for the current financial year |
| 4 | Defined benefit obligation | Note No.1.15 | Long term provision for gratuity |
| 5 | Measurement of contingent liabilities and contingent purchase consideration in a business combination | Not applicable | Contingent transactions are recognized based on happening contingent event. No contingent liabilities for the report |
| 6 | Current tax expense and current tax payable | Note No.32 | As per the Ind AS.12 |
| 7 | Deferred tax assets for carried forward tax losses | Note No.1.2 | As per the Ind AS.12 |
| 8 | Impairment of financial assets | Note No.1.3 | As per Ind AS 16 |

d. Standards issued but not effective (based on Exposure drafts available as on date)

The amendments are proposed to be effective for reporting periods beginning on or after 1 April 2020.

i). IssueofIndAS117–Insurance Contracts:

Ind AS 117 supersedes Ind AS 104 Insurance contracts. It establishes the principles

for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard. Under the Ind AS 117 model, insurance contract liabilities will be calculated as the present value of future insurance cash flows with a provision for risk.

Application of this standard is not expected to have any significant impact on the Company's financial statements.

**Amendments to existing Standards**

Ministry of Corporate Affairs has carried out amendments of the following accounting standards:

1. Ind AS 103 – Business Combination - nil
2. Ind AS 1, Presentation of Financial Statements and Ind AS 8, Accounting Policies, Changesin Accounting EstimatesandErrors
3. Ind AS 40 – InvestmentProperty - nil

The Company is in the process of evaluating the impact of the new amendments issued but not yet effective.

**2. Significant accountingpolicies:**

A summary of the significant accounting policies applied in the preparation of the financial statements is as given below. These accounting policies have been applied consistently to alltheperiodspresentedinthefinancialstatements.

**2.1 Ind AS 105: Non-Current Assets held for Sale or Discontinued Operations:**

| S. no. | Particulars of Disclosures | As at 31st March 2020 (Rs.) | As at 31st March 2019 (Rs.) |
|---|---|---|---|
| 1 | A Description of Non-Current Asset (Disposal group) | - | - |
| 2 | a description of the facts and circumstances of the sale, or leading to the expected disposal, and the expected manner and timing of that disposal | - | - |
| 3 | the gain or loss recognized in accordance with paragraphs 20– 22 and, if not separately presented in the statement of profit and loss, the caption in the statement of profit and loss that includes that gain or loss | - | - |

**2.2 Ind AS 106: Exploration for Evolution of Mineral resources:** This Ind AS 106 not applicable, the company is in the business oftrading of Building Material. Hence this Ind AS does not have any financial impact on the financial statements of the company.

**2.3 Ind AS-16: Property, Plant and Equipment:**

Items of Property, Plant and Equipment are stated at cost less accumulated depreciation.

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

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working

condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

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

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

Depreciation on the fixed assets has been provided based on useful lives as prescribed under part C of the schedule II of the Companies act, 2013.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

| S. No | Asset | Use full life in Years |
|---|---|---|
| 1 | Computers | 3 |
| 2 | Office Equipment | 5 |
| 3 | Furniture & Fixtures | 10 |
| 4 | Vehicles | 10 |
| 5 | Generator | 5 |

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

**2.4 Impairment Assets (Ind AS 36)**

The Company's non-financial assets, other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

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

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

The books of accounts of the company doesn't carry any impairment of assets during the reporting period, hence this accounting standard does not have financial impact on the financial statements of the company.

**2.5 Intangible assets (Ind AS 38):**

Intangible assets are amortized over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as change in accounting estimates. The amortization expense on intangible assets with finite useful lives is recognized in profit or loss.

The books of accounts of the company doesn't carry any Intangible assets during the reporting period, hence this accounting standard does not have financial impact on the financial statements of the company.

**2.6 Cash Flow Statement (Ind AS 7):**

Cash flows are reported using the indirect method under Ind AS 7, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes invalue.

**a). Non-cash items: Nil**

**b). Changes in Liability Arising from Financing Activity**

| Particulars | 01-Apr-19 | Cash Flow | | 31-Mar-20 |
|---|---|---|---|---|
| | | Receipts | Payments | |
| Current Borrowings | - | - | - | - |
| Non-current Borrowings | - | - | - | - |
| Total | - | - | - | - |

**2.7 Operating Cycle:**

The Company has adopted its normal operating cycle as twelve months based on the nature of products and the time between the acquisition of assets for processing and their realization, for the purpose of current / non-current classification of assets and liabilities.

**2.8 Capital Work in Progress**

Capital Work in Progress (CWIP) includes Civil Works in Progress, Plant&Equipment under erection and Preoperative Expenditure pending allocation on the assets to be acquired/ commissioned, capitalized. It also includes payments made to towards technical know-how fee and for other General Administrative Expenses incurred for bringing the asset into existence.

The books of accounts of the company doesn't carry any capital work in progress during the reporting period, hence this accounting standard does not have financial impact on the financial statements of the company.

**2.9 Investments:**

Investments are classified as Non-Current and Current investments.

Investments, which are readily realisable and are intended to be held for not more than one

year from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current investments.

Current investments are carried at lower of cost and fair value. Non-Current Investments are carried at cost less provision for other than temporary diminution, if any, in value of such investments.

**2.10 Effects of changes in foreign Rates (Ind AS 21):**

Foreign currency transactions are recorded at the exchange rates prevailing on the dates when the relevant transactions took place. Exchange difference arising on settled foreign currency transactions during the year and translation of assets and liabilities at the yearend are recognized in the statement of profit and loss.

In respect of Forward contracts entered into to hedge risks associated with foreign currency fluctuation on its assets and liabilities, the premium or discount at the inception of the contract is amortized as income or expense over the period of contract. Any profit or loss arising on the cancellation or renewal of forward contracts is recognized as income or expense in the period in which such cancellation or renewal ismade.

**2.11 Borrowing Costs (Ind AS 23):**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets up to the date of capitalization of such asset are capitalized as part of the cost of such assets. All other borrowing costs are charged to the Statement of Profit and Loss.

**2.12 Revenue Recognition (Ind AS 18-Revenues):**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue isrecognized:

a) Sales Revenue is recognized on dispatch to customers as per the terms of the order. Gross sales are net of returns and applicable trade discounts and excluding GST billed to the customers.

b) Subsidy from Government is recognized when such subsidy has been earned by the company and it is reasonably certain that the ultimate collection will be made.

c) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head “other income” in the statement of profit and loss.

d) All other incomes are recognized based on the communications held with the parties and based on the certainty of the incomes.

**2.13 Accounting for Government Grants and Disclosure of Government Assistance (Ind AS 20):**

**Government grants:**

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the years in which the Company recognizes as expenses the related costs for which the grants are intended to compensate or when performance obligations are me.

Government grants, whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets and nonmonetary grants are recognised and disclosed as ‘deferred income’ under non-current liability in the Balance Sheet and transferred to the

Statement of Profit and Loss on a systematic and rational basis over the useful lives of the relatedassets.

The benefit of a government loan at a below-market rate of interest and effect of this favorable interest is treated as a government grant. The loan or assistance is initially recognised at fair value and the government grant is measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates and recognisedto the income statement immediately on fulfillment of the performance obligations. The loan is subsequently measured as per the accounting policy applicable to financialliabilities.

**2.14 Inventories (Ind AS 2):**

Inventories at the yearend are valued as under:

| | |
|---|---|
| Raw Materials, Packing Material, Components, Consumables and Stores & Spares | At Cost as per First in First Out Method (FIFO) |
| Work in Progress and Finished goods | At lower of net realizable value and Cost of Materials plus Cost of Conversion and other costs incurred in bringing them to the present location and condition |

- Cost of Material excludes duties and taxes which are subsequently recoverable.
- Stocks at Depots are inclusive of duty, wherever applicable, paid at the time of dispatch from Factories.

**2.15 Trade Receivables – Doubtful debts:**

Provision is made in the Accounts for Debts/Advances which is in the opinion of Management are considered doubtful of recovery.

**2.16 Retirement and other Employee Benefits:**

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as expenditure, when an employee renders related service.

Gratuity liability is a defined benefit obligation and the cost of providing the benefits under this plan is determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out for this plan using the projected unit credit method. Actuarial gains and losses for defined benefits plan is recognized in full in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

**2.17 Ind AS 17- Leases**

Finance charges in respect of finance lease obligations are recognized as finance costs in the statement of profit and loss. In respect of operating leases for premises, which are cancellable / renewable by mutual consent on agreed terms, the aggregate lease rents payable are charged as rent in the Statement of Profit and Loss.

**2.18 Insurance Claims:**

Insurance Claims are accounted for on the basis of claims admitted/excepted to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

**2.19 Earnings per Share (Ind AS 33):**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**2.20 Provisions, Contingent Liabilities and Contingent Assets (Ind AS 37):**

The Company recognized provisions when there is present obligation as a result of past event and it is probable that there will be an outflow of resources required to settle the obligation in respect of which a reliable estimate can be made A disclosure for Contingent liabilities is made when there is a possible obligation or present obligations that may, but probably will not, require an outflow of resources. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent assets are neither recognized nor disclosed in the financial statements.

**Contingent Liabilities not provided for and commitments:**

(In Rupees)

| Nature of Contingent Liability | March 31, 2020 | March 31, 2019 |
|---|---|---|
| i. Unexpired guarantees issued on behalf of the company by Banks for which the Company has provided counter guarantee | NIL | NIL |
| ii. Bills discounted with banks which have not matured | Nil | Nil |
| iii. Corporate Guarantees issued by Company on behalf of others to Commercial Banks & Financial Institutions | Nil | Nil |
| iv. Collateral Securities offered to Banks for the limit Sanctioned to others | Nil | Nil |
| v. Legal Undertakings given to Customs Authorities for clearing the imports | Nil | Nil |

| Nature of Contingent Liability | | March 31, 2020 | March 31, 2019 |
|---|---|---|---|
| vi. | Claims against the company not acknowledged as debts | | |
| a. | Excise | NIL | NIL |
| b. | Sales Tax | NIL | NIL |
| c. | Service Tax | Nil | Nil |
| d. | Income Tax | NIL | NIL |
| e. | Civil Proceedings | NIL | NIL |
| f. | Company Law Matters | Unascertainable | Unascertainable |
| g. | Criminal Proceedings | Unascertainable | Unascertainable |
| h. | Others | Nil | Nil |
| vii. | Estimated amounts of contracts remaining to be executed on Capital Account and not provided for | Nil | Nil |

**2.21 Prior Period and Extraordinary and Exceptional Items:**

(i) All Identifiable items of Income and Expenditure pertaining to prior period are accounted through ''Prior Period Items''.

(ii) Extraordinary items are income or expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the enterprise and, therefore, are not expected to recur frequently or regularly. The nature and the amount of each extraordinary item be separately disclosed in the statement of profit and loss in a manner that its impact on current profit or loss can be perceived.

(iii) Exceptional items are generally non-recurring items of income and expenses within profit or loss from ordinary activities, which are of such, nature or incidence.

**2.22 Financial Instruments (Ind AS 107 Financial Instruments: (Disclosures)**

**I. Financial assets:**

**A. Initial recognition and measurement**

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

**a) Financial assets carried at amortized cost (AC)**

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

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

A Financial asset which is not classified as AC or FVOCI are measured at FVTPL e.g. investments in mutual funds. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the Statement of Profit and Loss within other gains/(losses) in the period in which it arises.

**c) Financial assets at fair value through other comprehensive income (FVTOCI)**

A financial asset is measured at FVTOCI if it is held within a business model whose Objective is achieved by both collecting contractual cash flows and selling financial assets and the

contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**B. Investments in subsidiaries**

The Company has accounted for its investments in subsidiaries at cost and not adjusted to fair value at the end of each reporting period. Cost represents amount paid for acquisition of the said investments.

**II. Financial Liabilities**

**A. Initial recognition**

All financial liabilities are recognized at fair value.

**B. Subsequent measurement**

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments

**2.23 Income Taxes (Ind AS 12)**

Tax Expense comprises of current and deferred tax.

- **Current Tax:**

  Current Tax on Income is determined and provided on the basis of taxable income computed in accordance with the provisions of the Income Tax Act, 1961.

  In the year in which 'Minimum Alternative Tax '(MAT) on book profits is applicable and paid, eligible MAT credit equal to the excess of MAT paid over and above the normally computed tax, is recognized as an asset to be carried forward for set off against regular tax liability when it is probable that future economic benefit will flow to the Company within the MAT credit Entitlement period as specified under the provisions of Income Tax Act, 1961.

- **Deferred Taxes:**

  Deferred tax liabilities are recognized for all timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

  At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

  The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

**2.24 Retirement and other Employee Benefits:**

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than contribution payable to the provident fund. The Company

recognizes contribution payable to the provident fund scheme as expenditure, when an employee renders related service.

Gratuity liability is a defined benefit obligation and the cost of providing the benefits under this plan is determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out for this plan using the projected unit credit method. Actuarial gains and losses for defined benefits plan is recognized in full in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

**Notes to Accounts:**

28. Contingent Liabilities not provided for and commitments:NIL

**29. Operating Segments (Ind AS 108)**

The company is in the business of trading of building materials. Hence, operating segment is not applicable.

**30. Events Reporting Period (Ind AS-10)**

An entity shall adjust the amounts recognized in its financial statements to reflect adjusting events after the reporting period.

31. **Construction Contracts (Ind AS -11):** The company is in the business oftrading of building materials, hence Ind AS -11 Construction Contract not applicable.

**32. Related Party Disclosures (Ind AS 24):**

Related Party disclosures required as per Accounting Standard (Ind AS-24) on "Related Party disclosures "issued by the Institute of Chartered Accountants of India,are as below:

**a) Names of related parties and the Description of Relationship:**

| S. No | Name of Related Parties | Relationship |
|---|---|---|
| 1 | Ravinder Rao Polsani | Managing Director |
| 2 | Ganesh Vithal Kamath | Director |
| 3 | Satish Kumar Yerneni | Director |
| 4 | Vanaja Kumari Dokiparthi | Director |
| 5 | Mohammed Sadiq Khan | Additional Director |
| 6 | Akilu Rahaman Khan | Additional Director |
| 7 | Taaza International PTE Limited | Subsidiary Company |
| 8 | Taaza General Trading FZC | Subsidiary Company |

**b) Related Party Transactions during the year: Nil**

**33. Consolidated and Separate Financial Statement (Ind AS 27):**

The company has subsidiary companies for the current reporting period. Hence consolidate and separate financial statement have been prepared.

**34. Investments in Associates (Ind AS 28):**

The company has not made any investments in any of its associates during the reporting period. This accounting standard has no financial impact on the financial statements for the current reporting period.

**35. Interest in Joint Ventures (Ind AS 31)**

The company has no interest in any Joint ventures. This accounting standard has no financial impact on the financial statements for the current reporting period.

**36. Derivative instruments and un-hedged foreign currency exposure:**

a) There are no outstanding derivative contracts as at March 31, 2020 and March 31, 2019.

b) Particulars of Un-hedged foreign currency exposure is: Nil

**37. Secured Loans: Nil**

**38. Confirmation of Balances:**

Confirmation letters have been issued by the company to Trade Receivables, Trade Payables, Advances to suppliers and others advances requesting that the confirming party responds to the company only if the confirming party disagrees with the balances provided in the request and however the company has not received any letters on disagreements.

**39. Net Current Assets:**

| S. No | Particulars | As at 31st March 2020 | As at 31st March 2019 |
|---|---|---|---|
| **A** | **Current Assets:** | | |
| 1 | Inventories | - | 1,04,51,250 |
| 2 | Trade Receivables | 6,92,69,582 | 5,52,13,082 |
| 3 | Cash and Cash equivalent | 15,19,582 | 20,54,965 |
| 4 | Loans | - | - |
| 5 | Current Tax Asset (Net) | - | - |
| 6 | Other Current Asset | 60,31,887 | 66,65,654 |
| | **Total Current Assets** | **7,68,21,051** | **7,43,84,951** |
| **B** | **Current Liabilities:** | | |
| 1 | Borrowings | - | - |
| 2 | Trade Payables | 96,91,294 | 1,47,99,005 |
| 3 | Other Current Liabilities | 46,51,538 | 47,48,239 |
| 4 | Short term provisions | - | - |
| 5 | Current Tax Liability | 7,67,037 | 15,47,312 |
| | **Total Current liabilities** | **1,51,09,869** | **2,10,94,556** |
| **C** | **Current Assets-Current Liabilities** | **6,17,11,182** | **5,32,90,395** |

**40. Revenue from Operations:**

| S. No | Particulars | As at 31st March 2020 | As at 31st March 2019 |
|---|---|---|---|
| 1 | Sale of goods: | | |
| | Sale of Manufactured Products | - | - |
| | Stock in trade | 1,04,22,500 | 7,07,63,426 |
| | **Total** | **1,04,22,500** | **7,07,63,426** |
| 2 | Revenue from Sale of Service | - | - |
| 3 | Other Operating Revenues | - | - |

**41. Revenue Reconciliation:**

| S. No | Particulars | As at 31st March 2020 | As at 31st March 2019 |
|---|---|---|---|
| 1 | Sale of Products" | | |
| | Domestic | - | - |
| | Exports | - | - |
| | Gross Revenue | - | - |
| | Less: Discount | - | - |
| | Less: Returns | - | - |
| | Less: price Concession | - | - |
| | Less Incentives and Performance bonus | - | - |
| | Less: Goods and service Tax | - | - |
| | Net Revenues recognized from contracts with customers | - | - |

**42. Other Income:**

| S. No | Particulars | As at 31st March 2020 | As at 31st March 2019 |
|---|---|---|---|
| 1 | Interest on Deposits with With banks and Others. | - | - |
| 2 | Profit on sale of Fixed asset | 18,39,240 | - |

**43. Details of Loans given, Investments made and Guarantee given covered Under Section 186(4) of the Companies Act, 2013.**

The company has not extended any Corporate Guarantees in respect of loans availed by any company/firm as at March 31, 2020

**44. Auditors' Remuneration:**

| Particulars | As at 31st March 2020 | As at 31st March 2019 |
|---|---|---|
| Fees towards* | | |
| Statutory Audit | 1,00,000 | 50,000 |

*The fees is exclusive of GST

**45. Dues to Micro Small and Medium Enterprises:**

Disclosure required as per section 22 of the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act.) as at 31.03.2020.

| S. No | Particulars | March 31, 2020 |
|---|---|---|
| 1 | Principal amount due to suppliers under MSMED | NIL |
| 2 | Interest accrued and due to suppliers covered under MSMED on the above amount,unpaid | NIL |
| 3 | Payment made to suppliers (with Interest) beyond the appointed day during the year. | NIL |
| 4 | Payment made to suppliers (other than interest) beyond the appointed day during the previous year | NIL |
| 5 | Interest paid to suppliers covered under MSMED | NIL |
| 6 | Interest due & Payable to suppliers covered under MSMED Act., towards payments already made. | NIL |

The information has been given in respect of such vendors to the extent they could be identified as micro and small enterprises on the basis of information available with company.

**46. Financial Risk Management**

In course of its business, the company is exposed to certain financial risk such as market risk (Including currency risk and other price risks), credit risk and liquidity risk that could have significant influence on the company's business and operational/financial performance. The Board of directors reviews and approves risk management framework and policies for managing these risks and monitor suitable mitigating actions taken by the management to minimize potential adverse effects and achieve greater predictability to earnings.

**47. Credit Risk**

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. The company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, a means of mitigating the risk of financial loss from defaults.

The company makes an allowance for doubtful debts/advances using expected credit loss model.

**48. Liquidity risk**

Liquidity risk refers to the risk that the company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as pre requirements. The Company's exposure to liquidity risk is minimal as the promoters of the company is infusing the funds based on the requirements.

**49. Amounts have been rounded off to nearest Rupee.**

As per our Report of even date
For **V. RAVI & CO.,**
Chartered Accountants
Firm Reg No: 006492S

**CA D. Ramesh Kumar**
Partner
Membership No: 217139
UDIN: 20217139AAAADT9520

Place : Hyderabad
Date :21.07.2020

For and on behalf of the Board
**TAAZA INTERNATIONAL LIMITED**

**P. Ravinder Rao**
Managing Director
DIN 01445527

**Akilurrahman Khan**
Director
DIN: 08460144

**Devanoori Srinivas**
CFO

## Independent Auditors' Report

To
The Members,
TAAZA INTERNATIONAL LIMITED

### Report on the Standalone IND AS financial statements

We have audited the accompanying Standalone IND AS financial statements of M/S TAAZA INTERNATIONAL LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss (Including other comprehensive income), the Statement of cash flows and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein referred to as ' Standalone IND AS financial statements').

### 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 Standalone IND AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read wit relevant rules issued there under. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone IND AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone IND AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone IND AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone IND AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Standalone IND AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone IND AS financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone IND AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Standalone IND AS, of the financial position of the Company as at 31st March, 2020, and its financial performance including other comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure – A a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   (c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Cash flows and the changes in Equity dealt with by this Report are in agreement with the books of account.
   (d) In our opinion, the aforesaid Standalone IND AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, relevant rules issued there under.
   (e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
   (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
   (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
      i. The Company does not have any pending litigations which would impact its financial position;
      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **V Ravi & CO.,**
Chartered Accountants
Firm Registration No. 006492S
**CA RAMESH KUMAR D**
Partner
Membership No. 217139
UDIN: 20217139AAAADT9520

Place: HYDERABAD
Date : 21.07.2020

**Annexure – A to the Independent Auditors' Report:**

The Annexure referred to the Independent auditors' report to the members of the company on the Standalone INDAS financial statements for the year ended 31 March 2020, we report that

i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) A major portion of fixed assets have been physically verified by the management during the year at reasonable intervals; no material discrepancies were noticed on such verification.

(c) There are no immovable property are held in the name of the company.

ii. The inventory has been physically verified by the management during the year at reasonable intervals; no material discrepancies were noticed on such verification and have been properly dealt with in the books of account.

iii. The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any tribunal.

vi. In our opinion and according to the information and explanations given to us, maintenance of cost records as specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013 is not applicable to the company.

vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities and no undisputed amounts payable were outstanding as at 31st March, 2020 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and the records of the company examined by us, there are no dues of Income Tax or Sales Tax or Service Tax or duty of customs or duty of excise or value added tax or cess as at 31st March, 2020 which have not been deposited on account of a dispute.

viii. The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3 (viii) of the Companies (Auditor's Report) Order, 2016 is not applicable.

ix. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Companies (Auditor's Report) Order, 2016 is not applicable.

x. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi. The company has not paid or provided any managerial remuneration during the year. Accordingly, paragraph 3 (xi) of the Companies (Auditor's Report) Order, 2016 is not applicable.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Companies (Auditor's Report) Order, 2016 is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment of equity share converted in to equal number equity shares of the company. The requirement of Section 42 and all the other applicable provisions of the Companies Act, 2013 and SEBI Regulations were complied with.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Companies (Auditor's Report) Order, 2016 is not applicable.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **V Ravi & CO.,**
Chartered Accountants
Firm Registration No. 006492S

**CA RAMESH KUMAR D**
Partner
Membership No. 217139
UDIN: 20217139AAAADT9520

Place: HYDERABAD
Date: 21.07.2020

**Annexure - B to the Independent Auditors' Report:**

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

We have audited the internal financial controls over financial reporting of M/S. TAAZA INTERNATIONAL LIMITED ("the Company") as of 31st March 2020 in conjunction with our audit of the Standalone IND AS financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **V Ravi & CO.,**
Chartered Accountants
Firm Registration No. 006492S

**CA RAMESH KUMAR D**
Partner
Membership No. 217139
UDIN: 20217139AAAADT9520

Place: HYDERABAD
Date: 21.07.2020

## INDEPENDENT AUDITORS' REPORT

To
The Members,
TAAZA INTERNATIONAL LIMITED

**Report on the Consolidated Ind AS financial statements**

We have audited the accompanying Consolidated Ind AS financial statements of TAAZA INTERNATIONAL LIMITED ('the Holding Company'), and its subsidiaries (collectively referred to as "the Group") which comprise the consolidated Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including other comprehensive income), the consolidated Statement of Cash Flows and the consolidated Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "consolidated Ind AS financial statements")

**Management's Responsibility for the Consolidated Ind AS 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 Consolidated Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, and cash flows and changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read wit relevant rules issued there under. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Consolidated Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Consolidated Ind AS, of the financial position of the Company as at 31st March, 2020, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

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

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

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss, the statement of Cash flows and the changes in Equity dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, relevant rules issued there under.

(e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and

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

i. The Company does not have any pending litigations which would impact its financial position;

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

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**Other Matter**

(a) The accompanying consolidated financial statements include total assets of Rs. 3,90,38,370/- as at March 31, 2020, and total revenues Rs. 74,61,664/- for the year ended on that date, in respect of 2 subsidiaries, which have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of such other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements above, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

For **V RAVI & Co.,**
Chartered Accountants
Firm Regd No. 006492S

Place: HYDERABAD

Date: 21.07.2020

**CA D Ramesh Kumar**
Partner
Membership No. 217139
UDIN: 20217139AAAADT9520

**Annexure - A to the Independent Auditors' Report:**

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

We have audited the internal financial controls over financial reporting of TAAZA INTERNATIONAL LIMITED ("the Company") as of 31st March 2020 in conjunction with our audit of the Consolidated Ind AS financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For V RAVI & CO.,**
Chartered Accountants
Firm Regd No. 006492S

**CA D Ramesh Kumar**
Partner
Membership No. 217139
UDIN: 20217139AAAADT9520

Place: HYDERABAD
Date: 21.07.2020

## Consolidate Balance Sheet as at 31.03.2020

**(Amount in Rupees)**

| | PARTICULARS | Note No's | As at 31.03.2020 | As at 31.03.2019 |
|---|---|---|---|---|
| **I** | **ASSETS :** | | | |
| **(1)** | **Non-current assets** | | | |
| | (a) Property, plant and equipment | 1.1 | 2,455,172 | 19,738,262 |
| | (b) Right to use assets | | - | - |
| | (c) Capital work in progress | | - | - |
| | (d) Investment properties | | - | - |
| | (e) Good will | | - | - |
| | (f) Other intangible Assets | 1.2 | - | - |
| | (g) Intangible Assets under Development | | - | - |
| | (h) Biological Assets other than Bearer Plants | | - | - |
| | (i) Financial assets | | - | - |
| | (i) Investments | 2 | - | - |
| | (ii) Trade receivables | 3 | - | - |
| | (iii) Loans | 4 | - | - |
| | (i) other Fiancial assets | 5 | - | - |
| | (j) Deferred Tax Asset (Net) | | - | - |
| | (k) Other non-current asset | 7 | 4,663,000 | 4,753,720 |
| | **Total non-current assets (A)** | | **7,118,172** | **24,491,982** |
| **2** | **Current assets** | | | |
| | (a) Inventories | 8 | - | 10,451,250 |
| | (b) Financial assets | | | |
| | (i) Investments | 2 | - | - |
| | (ii) Trade receivables | 3 | 116,324,433 | 102,265,847 |
| | (iii) Cash and cash equivalents | 9 | 2,125,150 | 2,496,227 |
| | (iv) Bank Balances other than (iii) above | | | |
| | (v) Loans | 4 | - | - |
| | (iv) other financial assets | 5 | - | - |
| | © Current Tax Asset (Net) | 6 | - | - |
| | (d) Other current assets | 10 | 6,261,387 | 6,877,573 |
| | **Total current assets (B)** | | **124,710,970** | **122,090,897** |
| | Non Current Assets Clasiffied as Held for Sale (C) | | - | - |
| | **Total assets (A+B+C)** | | **131,829,142** | **146,582,879** |
| **II** | **EQUITY AND LIABILITIES** | | | |
| **1** | **Equity** | | | |
| | (a) Equity share capital | 11 | 72,581,100 | 72,581,100 |
| | (b) Other equity | 12 | 33,944,834 | 45,498,870 |
| | (c) Not Controlling Interest | | (6,358,355) | (6,348,229) |
| | **Total equity (A)** | | **100,167,579** | **111,731,741** |
| **2** | **Liabilities** | | | |
| (i) | Non-current liabilities | | | |
| | (a) Financial Liabilities | | | |
| | (i) Borrowings | 13 | - | - |
| | (ii) Trade Payables | 14 | - | - |
| | (iii) Other Financial Liabilties | 15 | - | - |
| | (b) Long term provisions | 16 | - | - |
| | (c) Deferred tax Liabilities(Net) | 6 | (404,803) | (285,770) |
| | (d) Other non Current Liabilities | 17 | - | - |
| | **Total non-current liabilities (B)** | | **(404,803)** | **(285,770)** |

## Consolidate Balance Sheet as at 31.03.2020

**(Amount in Rupees)**

| PARTICULARS | Note No's | As at 31.03.2020 | As at 31.03.2019 |
|---|---|---|---|
| **(ii) Current liabilities** | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | 13 | - | - |
| (ii) Trade payables | 14 | 18,823,417 | 22,581,858 |
| (iii) Other financial liabilities | 15 | - | - |
| (b) Short term provisions | 16 | - | - |
| (c) Other current liabilities | 17 | 12,475,911 | 11,007,737 |
| (d) Current Tax Laibilities (net) | 6 | 767,037 | 1,547,312 |
| **Total current liabilities (C)** | | **32,066,365** | **35,136,907** |
| **Total liabilities (D=B+C)** | | **31,661,562** | **34,851,137** |
| **Total equity and liabilities (A+D)** | | **131,829,142** | **146,582,878** |

The notes are an integral part of the financial statements
As per our report of even date

**For V. RAVI & CO.,**
Firm Registration Number : 006492S
Chartered Accountants

**CA D. Ramesh Kumar**
Partner
Membership No. 217139
UDIN: 20217139AAAADT9520

Place : Hyderabad
Date : 21.07.2020

For and on behalf of the Board of Directors of
**TAAZA INTERNATIONAL LIMITED**

Sd/-
**P. Ravinder Rao**
Managing Director
DIN: 01445527

Sd/-
**Akilurrahman Khan**
Director
DIN: 08460144

Sd/-
**Devanoori Srinivas**
CFO

## Statement of Profit and Loss and Other Comprehensive Income for the Year ended Mar 31, 2020

(Amount in Rupees)

| PARTICULARS | Note No's | Year Ended March 31, 2020 | Year Ended March 31, 2019 |
|---|---|---|---|
| **Continuing Operations** | | | |
| I Revenue from operations | 18 | 11,778,854 | 78,225,090 |
| II Other income | 19 | 1,839,240 | - |
| III Net gain on de-recognition of financial assets at amortised cost | 20 | - | - |
| IV Net gain on reclassification of financial assets | 21 | - | - |
| **V Total income** | | **13,618,094** | **78,225,090** |
| VI **Expenses** | | | |
| (a) Cost of material Consumed | 22 | 11,800,503 | 98,006,355 |
| (b) Purchase of Stock in Trade | | - | - |
| (c) Changes in stock of finished goods, work-in progress and stock-in-trade | 23 | - | - |
| (d) Employee benefits | 24 | 2,037,519 | 7,570,286 |
| (e) Finance cost | 25 | 170,473 | 859,591 |
| (f) Depreciation expense | 26 | 1,122,330 | 1,272,521 |
| (g) Impairment expenses/losses | | - | - |
| (h) Net loss on de-recognition of financial assets at amortized cost | - | - | |
| (i) Net loss on reclassification of financial assets | | - | - |
| (j) Other expenses | 27 | 1,851,077 | 11,767,324 |
| **Total expenses (VI)** | | **16,981,902** | **119,476,077** |
| VII Profit/(loss) before Share of profit/(loss) of associates / joint ventures, exceptional items and tax (V-VI) | | (3,363,808) | (41,250,987) |
| VIII Share of profit/(loss) of associates | | | |
| Share of profit/(loss) of joint ventures | | | |
| IX Profit/(Loss) before exceptional items and tax | | (3,363,808) | (41,250,987) |
| X Exceptional itmes | | 4,792,076 | - |
| XI Priori period expenses | | 3,544,875 | - |
| XII Profit before Tax | | (11,700,759) | (41,250,987) |
| Tax expense : | | | |
| a. Current tax | | - | - |
| b. Deferred tax | | (119,033) | (99,277) |
| XIII Profit/(loss) for the year from continuing operations (XI-XII) | | (11,581,726) | (41,151,710) |
| XIV Discontinued Operations | | | |
| XV Profit/(loss) from discontinued operations | | - | - |
| XVI Tax Expense of discontinued operations | | - | - |
| XVII Profit/(loss) from discontinued operations (XIV +XV) | | - | - |
| XVIII XVII Profit/(loss) for the year (XIII+XVI) | | (11,581,726) | (41,151,710) |
| Less: Share of profit transfer to minority interest | | 274,774 | 75,135 |

## Statement of Profit and Loss and Other Comprehensive Income for the Year ended Mar 31, 2020

(Amount in Rupees)

| PARTICULARS | Note No's | Year Ended March 31, 2020 | Year Ended March 31, 2019 |
|---|---|---|---|
| XIX Profit/(loss) for the year | | (11,306,953) | (41,076,575) |
| Other comprehensive income(OCI) | | | |
| A Items that will not be reclassified to profit or loss | | - | - |
| (a) Changes in revaluation surplus | | - | - |
| (b) Remeasurements of the defined benefit liabilities / (asset) | | - | - |
| (c) Equity instruments through other comprehensive income | | - | - |
| (d) Fair value changes relating to own credit risk | | - | - |
| (e) Others (specify nature) | | - | - |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | | - | - |
| B Items that may be reclassified to profit or loss | | - | - |
| (a) Exchange differences in translating the financial statements of foreign operations | | - | - |
| (b) Debt instruments through other comprehensive income | | - | - |
| (c) Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge | | - | - |
| (d) Share of other comprehensive income of equity accountedinvestees | | - | - |
| (e) Others (specify nature) | | - | - |
| (ii) Income tax on items that may be reclassified to profit or loss | | - | - |
| XX Total other comprehensive income(OCI) | | - | - |
| Total comprehensive income for the year (XIX+ XX) | | (11,306,953) | (41,076,575) |
| XXI Earning per equity share (for Continuing Opertations) | | | |
| (i) Basic | | (0.16) | (0.57) |
| (ii) Diluted. | | (0.16) | (0.57) |
| XXII Earnings per equity share (for discontinued operation): | | | |
| (i) Basic | | (0.00) | (0.00) |
| XXIII (ii) Diluted. | | (0.00) | (0.00) |
| XXIV Earnings per equity share (for Continued and discontinued operation): | | | |
| (i) Basic | | (0.16) | (0.57) |
| (ii) Diluted. | | (0.16) | (0.57) |

The notes are an integral part of the financial statements
As per our report of even date

**For V. RAVI & CO.,**
Firm Registration Number : 006492S
Chartered Accountants

**CA D. Ramesh Kumar**
Partner
Membership No. 217139
UDIN: 20217139AAAADT9520

Place : Hyderabad
Date : 21.07.2020

For and on behalf of the Board of Directors of
**TAAZA INTERNATIONAL LIMITED**

Sd/-
**P. Ravinder Rao**
Managing Director
DIN: 01445527

Sd/-
**Akilurrahman Khan**
Director
DIN: 08460144

Sd/-
**Devanoori Srinivas**
CFO

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2020

**(Amount in Rupees)**

| | PARTICULARS | Year ended 31.03.2020 | Year ended 31.03.2019 |
|---|---|---|---|
| **A** | **CASH FROM OPERATING ACTIVITIES** | | |
| | (Loss)/Profit before tax and extraordinary items | (11,700,759) | (41,250,987) |
| | Adjustment for: | | |
| | Income tax expense recognised in profit or loss | - | - |
| | Finance costs recognised in profit or loss | - | - |
| | Investment income recognised in profit or loss | - | - |
| | Gain on disposal of property, plant and equipment | - | - |
| | Gain on disposal of a subsidiary | - | - |
| | Gain on disposal of interest in former associate | - | - |
| | Other Non cash Adjustments | | |
| | Net (gain)/loss recorded in profit or loss on financial liabilities designated as at fair value through profit or loss | - | - |
| | Net (gain)/loss arising on financial assets mandatorily measured at fair value through profit or loss | - | - |
| | Net loss/(gain) arising held for trading financial liabilities | - | - |
| | Hedge ineffectiveness on cash flow hedges | - | - |
| | Net (gain)/loss on disposal of available-for-sale financial assets | - | - |
| | Impairment loss recognised on trade receivables | - | - |
| | Reversal of impairment loss on trade receivables | - | - |
| | Depreciation and amortisation of non-current assets | 1,122,330 | 1,272,521 |
| | Impairment of non-current assets | - | - |
| | Net foreign exchange (gain)/loss | - | - |
| | Expense recognised in respect of equity-settled share-based payments | - | - |
| | Expense recognised in respect of shares issued in exchange for goods/services | - | - |
| | Amortisation of financial guarantee contracts | - | - |
| | Operating Profit before Working Capital Changes | (10,578,429) | (39,978,466) |
| | Movement for Working Capital: | | |
| | Increase in trade and other receivables | (14,058,586) | 253,513,616 |
| | (Increase)/decrease in amounts due from customers under construction contracts | - | - |
| | (Increase)/decrease in inventories | 10,451,250 | 24,799,670 |
| | (Increase)/Decrease in Short term Loans & Advances | | 20,776,000 |
| | (Increase)/decrease in other assets | 616,186 | (59,521) |
| | Decrease in trade and other payables | (3,730,751) | (274,225,836) |
| | Increase/(decrease) in amounts due to customers under construction contracts | | - |
| | Increase/(decrease) in provisions | (780,275) | (1,916,286) |
| | (Decrease)/increase in deferred revenue | | - |
| | (Decrease)/increase in other liabilities | 1,468,174 | - |
| | Change in Working Capital | (6,034,002) | 22,887,643 |
| | Changes in non current assets and liabilities | | |
| | Decrease/(Increase) in loans & advances | 90,720 | - |
| | Decrease/(Increase) in Long Term Provisions | - | |
| | Decrease/(Increase) in Other non Current Assets | - | - |
| | Changes in non current assets and liabilities | 90,720 | - |
| | Cash generated from operations | (16,521,711) | (17,090,823) |
| | - Income taxes paid | | - |
| | Net Cash flow before extraordinary items | (16,521,711) | (17,090,823) |
| | - Extraordinary & Prior period items | - | - |
| | **NET CASH FROM OPERATING ACTIVITIES** | **(16,521,711)** | **(17,090,823)** |

| | | | |
|---|---|---|---|
| **B** | **CASH FLOW FROM INVESTING ACTIVITIES:** | | |
| | Payments to acquire financial assets | | - |
| | Proceeds on sale of fixed Assets | 16,160,760 | - |
| | Interest received | | - |
| | Royalties and other investment income received | | - |
| | Dividends received from associates | | - |
| | Other dividends received | | - |
| | Amounts advanced to related parties | | - |
| | Repayments by related parties | | - |
| | Payments for property, plant and equipment | - | - |
| | Proceeds from disposal of property, plant and equipment | | - |
| | Payments for investment in equity shares | - | - |
| | Proceeds from disposal of investment property | - | - |
| | Payments for intangible assets | - | - |
| | Net cash outflow on acquisition of subsidiaries | - | - |
| | Net cash inflow on disposal of subsidiary | - | - |
| | Net cash inflow on disposal of associate | - | - |
| | **NET CASH FROM INVESTING ACTIVITIES** | **16,160,760** | **-** |
| **C** | **CASH FLOW FROM FINANCING ACTIVITIES** | | |
| | Proceeds from issue of equity instruments of the Company | - | - |
| | Proceeds from issue of CCD's | - | - |
| | Payment for share issue costs | - | - |
| | Payment for buy-back of shares | - | - |
| | Payment for share buy-back costs | - | - |
| | Proceeds from issue of redeemable preference shares | - | - |
| | Proceeds from issue of perpetual notes | - | - |
| | Payment for debt issue costs Proceeds from borrowings | - | - |
| | Repayment of borrowings | - | |
| | Proceeds from government loans | - | - |
| | Proceeds on disposal of partial interest in a subsidiary that does not involve loss of control | - | - |
| | Dividends paid on redeemable cumulative preference shares | - | - |
| | Dividends paid to owners of the Company | - | - |
| | Interest paid | - | - |
| | Long Term Provisions | - | - |
| | Minority Interest | (10,126) | - |
| | **NET CASH FROM FINANCING ACTIVITIES** | **(10,126)** | **-** |
| | **NET INCREASE IN CASH & CASH EQUIVALENTS** | **(371,077)** | **(17,090,823)** |
| | Cash and cash equivalents at the beginning of the year 1.04.2019 | 2,496,227 | 101,712,703 |
| | Effects of exchange rate changes on the balance of cash held in foreign currencies | - | - |
| | Cash and cash equivalents at the end of the year as on 31.03.2020 | 2,125,150 | 84,621,879 |
| | **Reconciliation of cash and cash equivalents as per the cash flow Statement** | | |
| | Cash and cash equivalents (Note 9 ) | 2,125,150 | 2,496,227 |
| | **Balance as per statement of cash flows** | **2,125,150** | **2,496,227** |

The notes are an integral part of the financial statements

As per our report of even date

**For V. RAVI & CO.,**
Firm Registration Number : 006492S
Chartered Accountants
**CA D. Ramesh Kumar**

Partner
Membership No. 217139
UDIN: 20217139AAAADT9520

For and on behalf of the Board of Directors of
**TAAZA INTERNATIONAL LIMITED**

Sd/-
**P. Ravinder Rao**
Managing Director
DIN: 01445527

Sd/-
**Akilurrahman Khan**
Director
DIN: 08460144

Sd/-
**Devanoori Srinivas**
CFO

Place : Hyderabad
Date : 21.07.2020

**Notes on Accounts**

**NOTE NO. 1.1: PROPERTY, PLANT AND EQUIPMENT:**

**2: PROPERTY, PLANT AND EQUIPMENT :**

**( Amount in Rs.)**

| | Land | Computers | Furniture and Fixtures | Plant & Mahcinary | Vehicles | Office Equipment | Total |
|---|---|---|---|---|---|---|---|
| **Deemed cost (gross carrying amount)** | | | | | | | |
| Balance at 1 April 2018 | 16,160,760 | 811,919 | 829,786 | - | 7,881,572 | 1,069,420 | 26,753,457 |
| Additions | - | - | - | - | - | | - |
| Disposals | - | - | - | - | - | - | - |
| **Balance at 31 March 2019** | **16,160,760** | **811,919** | **829,786** | **-** | **7,881,572** | **1,069,420** | **26,753,457** |
| Additions | - | - | - | - | - | | - |
| Disposals | (16,160,760) | - | - | - | - | - | (16,160,760) |
| **Balance at 31 March 2020** | **-** | **811,919** | **829,786** | **-** | **7,881,572** | **1,069,420** | **10,592,697** |
| **Accumulated depreciation at 1 April 2018** | - | 661,728 | 428,680 | - | 4,145,499 | 506,767 | 5,742,674 |
| Depreciation for the year | - | 150,191 | 78,830 | - | 936,331 | 107,170 | 1,272,521 |
| **Balance at 31 March 2019** | **-** | **811,919** | **507,510** | **-** | **5,081,830** | **613,937** | **7,015,195** |
| Depreciation for the year | - | - | 78,830 | - | 936,331 | 107,170 | 1,122,330 |
| **Balance at 31 March 2020** | **-** | **811,919** | **586,339** | **-** | **6,018,161** | **721,106** | **8,137,525** |
| **Carrying amounts(net)** | | | | | | | |
| **At 1 April 2018** | **16,160,760** | **150,191** | **401,106** | **-** | **3,736,073** | **562,653** | **21,010,783** |
| **At 31 March 2019** | **16,160,760** | **0** | **322,276** | **-** | **2,799,742** | **455,483** | **19,738,262** |
| **At 31 March 2020** | **-** | **0** | **243,447** | **-** | **1,863,411** | **348,314** | **2,455,172** |

**Note 1.2: Other Intangible Assets**

| | | |
|---|---|---|
| **Cost/Deemed Cost:** | | |
| at 1st April 2018 | - | - |
| Additions | - | - |
| Deletions | | - |
| As at March 2019 | - | - |
| Additions | - | - |
| Deletions | | - |
| **As at March 2020** | **-** | **-** |
| **Depreciation/Impairment** | | **-** |
| **at 1st April 2018** | - | - |
| Depreciation for the year | - | - |
| Disposals | | - |
| **As at March 2019** | - | - |
| Depreciation for the year | - | - |
| Disposals | | - |
| Imapaitmenty | - | - |
| **As at March 2020** | **-** | **-** |
| **Net Book Value** | | |
| As at March 2020 | - | - |
| As at March 2019 | - | - |

## Notes annexed to and forming part of the Financial Statements

### Note.2 : Invesments

| S.No. | PARTICULARS | As at Mar 31, 2020 | As at March 31, 2019 |
|---|---|---|---|
| | **Non Current** | | |
| 1 | Investments in quoted shares | - | - |
| 2 | investment in unquoted shares of subsidiaries | - | - |
| 3 | invetment in Joint Ventures | - | - |
| 4 | investment in Preference Shares | - | - |
| 5 | Investment in partnerships | - | - |
| | **Total** | **-** | **-** |
| | **Current** | | |
| 1 | Investments in quoted shares | - | - |
| 2 | investment in unquoted shares of subsidiaries | - | - |
| 3 | invetment in Joint Ventures | - | - |
| 4 | investment in Preference Shares | - | - |
| 5 | Investment in partnerships | - | - |
| | **Total** | **-** | **-** |

### Note 3:Trade Receivables

| S.No. | PARTICULARS | As at Mar 31, 2020 | As at March 31, 2019 |
|---|---|---|---|
| | **Non Current** | | |
| **A** | **Secured and considered good:** | | |
| | -From Related party | - | - |
| | -From Others | - | - |
| **B** | **Unsecured and considered good:** | | |
| | -From Related party | - | - |
| | -From Others | - | - |
| **C** | **Doubtful:** | | |
| | -From Related party | | |
| | -From Others | - | - |
| | Less: allowance for doubtfull debts | | - |
| | **Total** | **-** | **-** |
| | **Current:** | | |
| **A** | **Secured and considered good:** | | |
| | -From Related party | - | - |
| | -From Others | - | - |
| **B** | **Unsecured and considered good:** | | |
| | -From Related party | - | - |
| | -From Others | 116,324,433 | 102,265,847 |
| **C** | **Doubtful:** | | |
| | -From Related party | - | - |
| | -From Others | - | - |
| | Less: allowance for doubtfull debts | - | - |
| | **Total** | **116,324,433** | **102,265,847** |

## Note 4: Loans

| S.No. | PARTICULARS | As at Mar 31, 2020 | As at March 31, 2019 |
|---|---|---|---|
| | **Non Current:** | | |
| | **Loans :** | | |
| 1 | To related parties | - | - |
| 2 | to other boady corporate | - | - |
| 3 | to employees | - | - |
| 4 | Security Deposits: | - | - |
| 5 | Less: allowances for Doubtful loans | - | - |
| | **Total Loans** | **-** | **-** |
| | **Notes:** | | |
| 1 | Considered good | | |
| 2 | Considered Doubt full, Provided: | - | - |
| 3 | To related parties | - | - |
| 4 | to other boady corporate | - | - |
| 5 | to employees | - | - |
| | **Total** | **-** | **-** |
| | **Current:** | | |
| | **Loans :** | | |
| 1 | To related parties | - | - |
| 2 | to other body corporate | - | - |
| 3 | to employees | - | - |
| 4 | Security Deposits: | - | - |
| 5 | Less: allowances for Doubt full loans | - | - |
| | **Total** | **-** | **-** |
| | **Notes:** | | |
| 1 | Considered good | | |
| 2 | Considered Doubt full, Provided: | - | - |
| 3 | To related parties | - | - |
| 4 | to other body corporate | - | - |
| 5 | to employees | - | - |

## Note 5: Other Financial Assets

| S.No. | PARTICULARS | As at Mar 31, 2020 | As at March 31, 2019 |
|---|---|---|---|
| | **Non Current** | | |
| 1 | Export benefits and entitlements | - | - |
| 2 | Insurance claims recievable | - | - |
| 3 | Advances towards equity/preference share capital | - | - |
| 4 | Derivative instruments: | | |
| a | Derivative instruments at fair value | - | - |
| b | Cash flow hedges | - | - |
| c | Foreign exchange forward contracts | - | - |
| | Total Derivative Instruments at fair value through OCI | - | - |
| 5 | Derivative instruments at fair value through profit or loss through OCI: | | |
| | Derivatives not designated as hedges | | |
| | Foreign exchange forward contracts | | |
| | Embedded derivatives | | |
| | Total derivative instruments at fair value through profit or loss | - | - |
| | **Total Financial Assets** | **-** | **-** |
| | **Current** | | |
| 1 | Export benefits and entitlements | - | - |
| 2 | Insurance claims recievable | - | - |
| 3 | Advances towards equity/preference share capital | - | - |
| 4 | Derivative instruments: | | |
| a | Derivative instruments at fair value | - | - |
| b | Cash flow hedges | - | - |
| c | Foreign exchange forward contracts | - | - |
| | Total Derivative Instruments at fair value through OCI | - | - |
| 5 | Derivative instruments at fair value through profit or loss through OCI: | | |
| | Derivatives not designated as hedges | | |
| | Foreign exchange forward contracts | | |
| | Embedded derivatives | | |
| | **Total derivative instruments at fair value through profit or loss** | **-** | **-** |
| | **Total Financial Assets** | - | - |

**Note 6: Income Taxes**

| S.No. | PARTICULARS | As at Mar 31, 2020 | As at March 31, 2019 |
|---|---|---|---|
| | **a). Current Tax liability** | | |
| | **Opening Balance** | 1,547,312 | 2,744,425 |
| | Add: Current tax payble for the year | 1,547,312 | 2,744,425 |
| | Less: Taxes Paid | 780,275 | 1,197,113 |
| | Less: TDS Recievables/Advance Tax | - | - |
| | **Closing balances** | **767,037** | **1,547,312** |
| | **b). Current Tax Asset** | | |
| | **Opening Balance** | | |
| | Add: Taxes paid/TDS Receivable | - | - |
| | Less: Current tax payable for the year | - | - |
| | **Closing Balance** | **-** | **-** |
| | **c). Differed Tax Asset** | | |
| | Differed tax Asset - (A) | | |
| | Provision for Emplyoees | | |
| | Waranty Provisions | | |
| | Loss allowance on financial and Contract Assets | | |
| | Others | | |
| | **Sub Total (A)** | **-** | |
| | **Differred tax Liabilty- (B)** | | |
| | Opening Balance | (285,770) | (186,493) |
| | Provision for Deferred Tax Liabilities | (119,033) | -99277 |
| | **Sub Total (B)** | **(404,803)** | **(285,770)** |
| | **Total (A-B)** | **404,803** | **285,770** |

**Note 7: Other Non Current Assets**

| S.No. | PARTICULARS | As at Mar 31, 2020 | As at March 31, 2019 |
|---|---|---|---|
| **A** | **Other Non-Current Assets** | | |
| | Capital Advances | - | - |
| | Advances other than capital advances | - | - |
| | **Security Deposits:** | - | - |
| | Government Authorities | 4,663,000 | 4,753,720 |
| | — Advances to Related Parties | - | - |
| | — Other Deposits | - | - |
| | **Total of Other Non-current Assets** | **4,663,000** | **4,753,720** |

**Note 8: Inventories**

| S.No. | PARTICULARS | As at Mar 31, 2020 | As at March 31, 2019 |
|---|---|---|---|
| 1 | Raw Material | - | - |
| 2 | Stocks | - | 10,451,250 |
| 3 | Work In Process | - | - |
| 4 | Finished Goods | - | - |
| 5 | Consumbles & Stores and Spares | - | - |
| 6 | Property under Development | - | - |
| | **Total Inventories** | **-** | **10,451,250** |

**Notes 8: Disclaousre of Inventories pledged as security for liabilties as follows**

| S.No. | PARTICULARS | As at Mar 31, 2020 | As at March 31, 2019 |
|---|---|---|---|
| **A** | **As at 31st March 2020** | | |
| a | Raw Material | - | - |
| b | Work In Process | - | - |
| c | Finished Goods | - | - |
| **B** | **As at 31st March 2019** | | |
| a | Raw Material | - | - |
| b | Work In Process | - | - |
| c | Finished Goods | - | |
| **C** | **As at 31st March 2018** | | |
| a | Raw Material | - | - |
| b | Work In Process | - | - |

**Note 9: Cash and Cash Equivalents**

| S.No. | PARTICULARS | As at Mar 31, 2020 | As at March 31, 2019 |
|---|---|---|---|
| 1 | Cash and Cash Equivalents (Note 9.1) | 2,125,150 | 2,496,227 |
| 2 | Bank Balances other than Cash and Cash Cash Equivalents | - | - |
| | Total Cash and Cash Equivalents | 2,125,150 | 2,496,227 |

**Notes:**

1. In the Balance sheet Cash comprises cash and demand deposits.
2. Cash equivalents are held for the purpose of short term cash commitments rather than for investment or other purpose

**Note 9.1: Cash and Cash Equivalents**

| S.No. | PARTICULARS | As at Mar 31, 2020 | As at March 31, 2019 |
|---|---|---|---|
| | **Bank and Cash Balances** | | |
| | **On Current Accounts:** | | |
| **1** | **Balances with Scheduled Banks** | **2,047,230** | **1,918,307** |
| 2 | Fixed Deposits | - | - |
| 3 | Cheques/dafts on hand | - | - |
| 4 | Cash on hand | 77,920 | 577,920 |
| | **Total Cash and Cash Equivalents** | **2,125,150** | **2,496,227** |

**Note 10: Other Current Assets**

| S.No. | PARTICULARS | As at Mar 31, 2020 | As at March 31, 2019 |
|---|---|---|---|
| | **Other Current Assets** | | |
| **1** | **Capital Advances:** | **-** | **-** |
| | Advances to Plant and Machinery | - | - |
| **2** | **Advances other than capital advances:** | | |
| | MAT Credit Entitilement | | |
| 3 | Security Deposits | - | - |
| 4 | Advances to suppliers | 6,261,387 | 2,743,806 |
| **5** | **Other Advances:** | | |
| | GST Input | - | 1,095,337 |
| | Advances for Expenses | - | - |
| | Interest Receivable | - | - |
| | Prepaid Expenses | - | - |
| | Income tax Refundable | - | 234,430 |
| | TDS Recievable | - | - |
| | Advance Tax | - | - |
| | Other Advances | - | 2,804,000 |
| | **Total of Other current Assets** | **6,261,387** | **6,877,573** |

## Notes annexed to and forming part of the Financial Statements

### Note 11: Equity share capital

### a. Equity share capital

| | As At March 31, 2020 | | As At March 31, 2019 | |
|---|---|---|---|---|
| | Number | Amount in Rs. | Number | Amount in Rs. |
| Authorised | | | | |
| Equity shares of Rs. 10 each | 10,000,000 | 100,000,000 | 10,000,000 | 100,000,000 |
| **Issued** | | | | |
| Equity shares of Rs. 10 each | 7,258,110 | 72,581,100 | 7,258,110 | 72,581,100 |
| **Subscribed and Paid-up** | | | | |
| Equity shares of Rs. 10 each fully paid-up | 7,258,110 | 72,581,100 | 7,258,110 | 72,581,100 |
| **Total** | **7,258,110** | **72,581,100** | **7,258,110** | **72,581,100** |

### b. Reconciliation of the number of equity shares outstanding and the amount of share capital

| | As At March 31, 2020 | | As At March 31, 2019 | |
|---|---|---|---|---|
| | Number | Amount in Rs. | Number | Amount in Rs. |
| **Issued and Subscribed:** | | | | |
| Shares outstanding at the beginning of the year | 7,258,110 | 72,581,100 | 1,547,883 | 15,478,830 |
| Add: Issued During the year for cash | - | - | - | - |
| Add:Shares issued at ESOP trust | - | - | - | - |
| Shares outstanding at the end of the year | 7,258,110 | 72,581,100 | 1,547,883 | 15,478,830 |

**c. Terms / rights attached to equity Shares**

The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. 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 shareholdings.

**d.** Shares reserved for issue underwriter options — Nil

**e.** Detail of Rights Issues — Nil

**f.** details of shares held by Holding/Ultimatley Holding Company — Nil

**g.** Details of shares issued for consideration other than cash — Nil

**h. Shares in the company held by each shareholder holding more than 5 percent**

| Name of the Shareholder | As at Mar 31, 2020 | | As at Mar 31, 2019 | |
|---|---|---|---|---|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| G.V.B.Narayanamma | 481,758 | 6.64% | 481,758 | 6.64% |
| P. Ravinder Rao | 1,673,835 | 23.06% | 1,673,835 | 23.06% |
| P.V.Ravi Kumar | 1,233,975 | 17.00% | 1,233,975 | 17.00% |
| P. Srinivasa Rao | 365,543 | 5.04% | 365,543 | 5.04% |

**i. Dividend Declaration Details**

Amount in Rs.

| Particualrs | As at Mar 31, 2020 | As at Mar 31, 2019 |
|---|---|---|
| Cash Dividend Declared for the Year 31 march 2019 | - | - |
| Dividend Distribution Tax on fianl Dividend | - | - |
| Interim Dividend for the year ended on 31March 2020 | | |
| **Total** | **-** | **-** |
| Proposed Dividend on Equity Shares | | |
| Final Dividend for the year ended 31 March 2020 | | |
| Distribution Tax on Proposed Dividend | | |
| **Total** | **-** | **-** |

**Note 12 Other equity**

**(A)**

| | As at Mar 31, 2020 | As at Mar 31, 2019 |
|---|---|---|
| **Capital Reserve:** | | |
| Balance at the beginning of the year | - | - |
| Add: Addition During the Year | - | - |
| **Balance at the end of the year** | - | - |
| **General Reserve** | | |
| Balance at the beginning of the year | 1,443,435 | 1,443,435 |
| Add: Addition During the Year | - | - |
| **Balance at the end of the year** | **1,443,435** | **1,443,435** |
| **Securities Premium:** | | |
| Balance at the beginning of the year | 4,400,000 | 4,400,000 |
| Add: Securities Premium on shares issued during the year | - | - |
| **Balance at the end of the year** | **4,400,000** | **4,400,000** |
| **Retained earnings** | | |
| Balance at the beginning of the year | 37,175,605 | 78,252,180 |
| Add: Addition During the Year | (11,306,953) | (41,076,575) |
| **Balance at the end of the year** | **25,868,651** | **37,175,605** |
| **Currency Translation Reserve** | **2,232,747** | **2,479,830** |

**(B) Other Reserves**

| | As at Mar 31, 2020 | As at Mar 31, 2019 |
|---|---|---|
| **Debentures Redemption Reserves:** | | |
| Balance at the beginng of the year | - | - |
| Add: Addition during the Year | - | - |
| **Balance at the end of the year** | **-** | **-** |
| **Capital Redemption Reserves:** | | |
| Balance at the beginng of the year | - | - |
| Add: Addition during the Year | - | - |
| **Balance at the end of the year** | **-** | **-** |
| **Investment Fluctuation Reserves:** | | |
| Balance at the beginng of the year | - | - |
| Add: Addition during the Year | - | - |
| **Balance at the end of the year** | **-** | **-** |
| **Total Other Reserves** | **-** | **-** |

**Note 13: Borrowings**

| S.No. | PARTICULARS | As at Mar 31, 2020 | As at March 31, 2019 |
|---|---|---|---|
| | **Non-Current:** | | |
| 1 | Bonds | - | - |
| 2 | Debentures(Secured) | - | - |
| **3** | **Term loans:** | | |
| **i** | **Secured:** | | |
| ii | Working Capital | - | - |
| iii | Deferred payment liabilities | - | - |
| iv | Other Loans | - | - |
| v | -Finance lease obligations | - | - |
| vi | - Preference shares | - | - |
| **4** | **Unsecured Loans** | | |
| | From Directors | - | - |
| | Loans fom Individuals other than Banks | - | - |
| | **Total** | **-** | **-** |
| | **Current:** | | |
| 1 | Bonds | - | - |
| 2 | Debentures(Secured) | - | - |
| **3** | **Term loans:** | | |
| **i** | **Secured** | | |
| **ii** | **Unsecured** | - | - |
| iii | From banks | | |
| iv | Working Capital | - | - |
| v | Deferred payment liabilities | - | - |
| vi | Other Loans | - | - |
| vii | -Finance lease obligations | - | - |
| viii | - Preference shares | - | - |
| **4** | **Unsecured Loans** | | |
| i | Loans fom Individuals other than Banks | | |
| | **Total** | **-** | **-** |

**Note 14: Trade Payables**

| S.No. | PARTICULARS | As at Mar 31, 2020 | As at March 31, 2019 |
|---|---|---|---|
| | **Non Current:** | | |
| **A** | **Trade payables** | | |
| | a). Total Outstanding Dues to Micro, Small and Medium Enterprises | - | - |
| | b). Total Outstanding Dues to other than Micro, Small and Medium Enterprises | - | - |
| | **Sub Total** | **-** | **-** |
| | **Total** | **-** | **-** |
| | **Current:** | | |
| **A** | **Trade payables** | | |
| | Dues to Micro, Small and Medium Enterprises | - | - |
| | Others | 18,823,417 | 22,581,858 |
| **B** | **Trade payables** | | |
| | a). Total Outstanding Dues to Micro, Small and Medium Enterprises | - | - |
| | b). Total Outstanding Dues to other than Micro, Small and Medium Enterprises | - | - |
| | **Total** | **18,823,417** | **22,581,858** |

Note: Dues to micro and small enterprises - As per Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED' Act) This information has been determined to the extent such parties have been identified on the basis of information available with the Company

| S.No. | PARTICULARS | As at Mar 31, 2020 | As at March 31, 2019 |
|---|---|---|---|
| | Principal amount remaining unpaid to any supplier as at the end of the year. | 18,823,417 | 22,581,858 |
| | Amount of interest due remaining unpaid to any supplier as at the end of the year | - | - |
| | Amount of interest paid under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year. | - | - |
| | Amount of interest due and payable for the period of delay in making payment (where the principal has been paid but interest under the MSMED Act, 2006 not paid) | - | - |
| | Amount of interest accrued and remaining unpaid at the end of year. | - | - |
| | Amount of further interest remaining due and payable even in the succeeding year | - | - |

**Note 15:Other Financial Liabilities**

| S.No. | PARTICULARS | As at Mar 31, 2020 | As at March 31, 2019 |
|---|---|---|---|
| | **Non Current:** | | |
| 1 | Invester enducation protection fund | | |
| **4** | **Others:** | | |
| i | Retention money for capital projects | - | - |
| ii | Payble towards capital expenditure | - | - |
| iii | Payble towards Services received | - | - |
| iv | Payble towards other expenses | - | - |
| v | Interest accrued but no due on borrowings | - | - |
| | **Total** | **-** | **-** |
| | **Current** | | |
| 1 | Current Maturities of Long Term Borrowings | - | - |
| 2 | Current Maturities of finance lease obligation | - | - |
| 3 | Invester enducation protection fund | - | - |
| **4** | **Others:** | | |
| i | Retention money for capital projects | - | - |
| ii | Payble towards capital expenditure | - | - |
| iii | Payble towards Services received | - | - |
| iv | Payble towards other expenses | - | - |
| v | Interest accrued but no due on borrowings | - | - |
| | **Total** | **-** | **-** |

**Note 16: Provisions**

| S.No. | PARTICULARS | As at Mar 31, 2020 | As at March 31, 2019 |
|---|---|---|---|
| | **Non Current:** | | |
| | a). Provision for Emplyoee Bebefits | | |
| | For Provident Fund | - | - |
| | For gratuity | - | - |
| | Provision for compensated absences | - | - |
| | b). Others | | |
| | Service Waranties | - | - |
| | Statutory Dues | - | - |
| | Legal Calims | - | - |
| | **Total** | **-** | **-** |
| | **Current:** | | |
| | a). Provision for Emplyoee Bebefits | | |
| | For Provident Fund | - | - |
| | For gratuity | - | - |
| | Provision for compensated absences | - | - |
| | b). Others | | |
| | Service Waranties | - | - |
| | Statutory Dues | - | - |
| | Legal Calims | - | - |
| | **Total** | **-** | **-** |

**Note 17 : Other current Liabilities**

| S.No. | PARTICULARS | As at Mar 31, 2020 | As at March 31, 2019 |
|---|---|---|---|
| | a). Revenue Received in Advance | | |
| | Advances From customers | - | - |
| | b). Other Payables | | |
| | Statutory Dues Payable | 67,379 | 67,379 |
| | Interest Payable | - | - |
| | TDS payable | - | 12,920 |
| | Salaries and Wages payable | - | - |
| | Marketing Salaries - Field Staff Payable | - | - |
| | Directors Remuneration Payable | - | - |
| | Bonus payable | - | - |
| | Electricity Charges Payable | - | - |
| | VAT Payable | 61 | 30,562 |
| | Unpaid Dividend for the year 2010-11 | 3,319,865 | 3,319,865 |
| | Unpaid Dividend tax for the year 2010-11 | 1,205,481 | 1,205,481 |
| | Other provisions | 7,883,125 | 6,371,530 |
| | Audit fee payable | - | - |
| | Contractor's dues | - | - |
| | **Total** | **12,475,911** | **11,007,737** |

**Note 18: Revenue from operations**

| S.No. | PARTICULARS | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|---|---|---|---|
| **A** | **Revenue from contracts with customers disaggregated based on nature of product or services** | | |
| | **Revenue from Sale of Products** | | |
| | a). Sale of Manufactured Goods | | |
| | b). Stock in Trade | 11,778,854 | 78,225,090 |
| | **Net Revenue** | **11,778,854** | **78,225,090** |
| | **Revenue from Sale Service** | | |
| | a). Software servieces | - | - |
| | b). Other Services | - | - |
| | Sub total | - | - |
| | Other Operating Revenues | | |
| | a). Export Incentives | | |
| | b). Royalty Received | | |
| | From subsidiaries and associates | | |
| | From others | | |
| | c). Scrap Sale | | |
| | d). Others | | |
| | **Sub total** | **-** | **-** |
| | **Total Revenue from Operations** | **11,778,854** | **78,225,090** |
| B | **Disaggregated revenue information** | | |
| | **Revenue from contracts with customers disaggregated based on geography** | | |
| | a). Domestic | | |
| | b).Export | - | - |
| | | - | - |
| | C) Reconciliation of Gross Revenue from Contracts With Customers | | |
| | Gross Revenue | - | - |
| | Less: Discount | | |
| | Less: Returns | | |
| | Less: Price Concession | | |
| | Less: Incentives and performance bonus | | |
| | Less: Goods and Service Tax | | |
| | Net Revenue recognised from Contracts with Customers | - | - |

C1 Terms conditions on performance waranty

C2 Credit period

C3 The Company does not have any remaining performance obligation as contracts entered for sale of goods are for a shorter duration. There are no contracts for sale of services wherein, performance obligation is unsatisfied to which transaction price has been allocated.

**Note 19: Other Income**

| S.No. | PARTICULARS | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|---|---|---|---|
| | Interest income | | |
| | a). Financial assets mandatorily measured at fair value through profit or loss | - | - |
| | b). Interest income on financial assets fair valued through other comprehensive income | | |
| | -Non Convertible debentures | - | - |
| | c). Financial assets carried at amortised cost | | |
| | Tax free bonds and government bonds | - | - |
| | Deposits with banks and others | - | - |
| | **Sub total (i)** | **-** | **-** |
| | **Dividend Income** | | |
| | a). Investments mandatorily measured at fair value through profit or loss | - | - |
| | b). Equity investment designated at fair value through other comprehensive income | - | - |
| | **Sub total (ii)** | | |
| | **Profit on Sale of Fixed Assets (iii)** | **1,839,240** | **-** |
| | **Total(i+ii+iii)** | **1,839,240** | **-** |

**Note 20: Net gain on de-recognition of financial assets at amortised cost**

| S.No. | PARTICULARS | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|---|---|---|---|
| | Profit on sale of land and buildings | - | - |
| | Written off of liability | - | - |
| | **Total Gain** | **-** | **-** |

**Note 21: Net gain on reclassification of financial assets**

| S.No. | Deposits with banks and others | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|---|---|---|---|
| | Profit on sale of land and buildings | - | - |
| | Written off of liability | - | - |
| | **Total Gain** | **-** | **-** |

**Note 22 Cost of Material Consumed**

| S.No. | Deposits with banks and others | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|---|---|---|---|
| | **A. Raw Material Consumed** | | |
| | Raw materials at the beginning of the year | 10,451,250 | 35,250,920 |
| | Add: Purchases During the year | 1,349,253 | 73,206,685 |
| | Less: Raw materials at the end of the year | - | 10,451,250 |
| | **Total cost of raw material consumed** | **11,800,503** | **98,006,355** |
| | **B). Packing Material** | | |
| | Packing materials at the beginning of the year | - | - |
| | Add : Purchases During the year | | |
| | Less: Packing materials at the end of the year | - | - |
| | **Total cost of packing materials consumed (B)** | **-** | **-** |
| | **Total cost of Materials consumed (B)** | **11,800,503** | **98,006,355** |

**Note 23 Changes in inventories of finished goods, work-in-progress and stock-in-trade**

| S.No. | PARTICULARS | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|---|---|---|---|
| | Opening Balnce | | |
| | Finished Goods | | |
| | Work in Progress | | |
| | Stock in Trade (Including Goods in Transit) | | |
| | Spares and Consumables | | |
| | **Total Opening Balances** | **-** | **-** |
| | **Closing Balance** | | |
| | Finished Goods | | |
| | Work in Progress | | |
| | Stock in Trade (Including Goods in Transit) | | |
| | Spares and Consumables | | |
| | **Total Closing Balance** | **-** | **-** |
| | **Total Changes in inventories of finished goods, work-inprogress and stock-in-trade** | **-** | **-** |

**Note 24 Emplyoee Benefits**

| S.No. | PARTICULARS | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|---|---|---|---|
| | Salaries, Wages, Bonus etc. | 2,037,519 | 7,181,796 |
| | Contribution to P.F, E.S.I and Other Statutory Funds | | |
| | Employee share based payment expenses | - | - |
| | Gratuity | - | - |
| | Leave compensation | - | - |
| | Post-employment pension benefits | - | - |
| | Post-employment medical benefits | - | - |
| | Staff welfare expenses | - | 388,490 |
| | **Total Employee benefits** | **2,037,519** | **7,570,286** |

**Note 25 Finance Cost**

| S.No. | PARTICULARS | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|---|---|---|---|
| | **Interest and finance charges on financial liabilities carried at amortised cost** | | |
| | a). Interest on Bank Borrowings | | |
| | b). Interest on Cash Credit | 170,473 | 205,451 |
| | c). Interest on LC/BG Discount | - | 654,140 |
| | d). Other Interest Expenses(Bank Charges) | | |
| | Less: Amount Capitalised | | |
| | Total Interest on financial liabilities carried at amortised cost | 170,473 | 859,591 |
| | Intest on Trade payables (as per MSME Act) | - | - |
| | Interest on delayed payment of statutory dues | - | - |
| | Unwinding of discount on provision | - | - |
| | Exchange difference regarded as adjustment to borrowing costs | - | - |
| | Dividend on redeemable preference shares (including dividend distribution tax) | - | - |
| | **Total Finance Cost** | **170,473** | **859,591** |

**Note 26 Depreciation and Amortisation Expenses**

| S.No. | PARTICULARS | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|---|---|---|---|
| | Depreciation on plant, property and equipment | 1,122,330 | 1,272,521 |
| | Depreciation on Investment properties | - | - |
| | Amortisation on Intangible assets | - | - |
| | **Total depreciation and Amortisation expenses** | **1,122,330** | **1,272,521** |

**Note 27 : Other expenses**

| S.No. | PARTICULARS | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|---|---|---|---|
| | Packing & forwarding Charges | - | 159,966 |
| | Repairs & maintenance | 5,000 | 315,872 |
| | Sales & marketing expenses | 114,245 | 89,923 |
| | Power & fuel | 1,772 | 106,589 |
| | General office expenses | 388,739 | 804,263 |
| | Interest on Tax | 5,350 | 340,184 |
| | Director Remuneration | - | - |
| | Auditors remuneration | 100,000 | 59,000 |
| | Retainer ship fee | - | 130,800 |
| | Professional & Commission Charges | 1,098,729 | 8,096,844 |
| | Printing & Stationary | - | 60,759 |
| | Rent, rates & taxes | 136,160 | 689,121 |
| | Communication expenses | 1,082 | 9,747 |
| | Travelling & Conveyace | - | 904,256 |
| | **Total** | **1,851,077** | **11,767,324** |

**27.1 Payment to Auditors**

| S.No. | PARTICULARS | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|---|---|---|---|
| | As An Auditor | | |
| | - Audit Fees | 100,000 | 59000 |
| | - Tax Audit | - | - |
| | - Limited Review | - | - |
| | In Other Capacity | | |
| | - Taxation Matters | - | - |
| | - Company Law matters | - | - |
| | - Certification matters | - | - |
| | - Reimbursement of Expenses | - | - |
| | **Total Payment to Auditor** | **100,000** | **59000** |

**27.2 Corporate Social Responsibility( CSR) Not Applicable to this period**

| S.No. | PARTICULARS | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|---|---|---|---|
| | Amount required to be spent as per Section 135 of the Companies Act, 2013 | - | - |
| | **Amount spent during the year on:** | **-** | **-** |
| | | - | - |

**1. Significant Accounting Policies & Notes annexed to and forming part of the Consolidated financial Statements**

**1.1. Basis for preparation of financial statements:**

**a) Compliance with Indian Accounting Standards (Ind As)**

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind As) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of the Companies Act, 2013. Up to the year ended March 31, 2017, the Gruop prepared financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006.

These are the Group Second Ind As financial statements. The date of transition to Ind As is April 1, 2016.

**b) Basis of consolidation**

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 March 2020. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if and only if the Group has:

Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)

Exposure, or rights, to variable returns from its involvement with the investee, and

The ability to use its power over the investee to affect its returns The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary. The acquisition accounting is used by the group to account for business combinations.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March.

**Consolidation procedure**

i. Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

ii. Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

iii. Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash

flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

**d) Use of estimates and judgment**

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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

**1.2. Property, Plant and Equipment & Depreciation**

Items of Property, Plant and Equipment are stated at cost less accumulated depreciation.

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

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

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

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

Depreciation on the fixed assets has been provided based on useful lives as prescribed under part C of the schedule II of the companies act, 2013.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

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

**1.3 Impairment of non-financial assets**

The Group non-financial assets, other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

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

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

**1.4 Intangible assets**

Intangible assets are amortized over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as change in accounting estimates. The amortization expense on intangible assets with finite useful lives is recognized in profit or loss.

The books of accounts of the company doesn't carry any Intangible assets during the reporting period, hence this accounting standard does not have financial impact on the financial statements of the company

**1.5 Inventory**

Cost of inventories have been computed to include all costs of purchases (including materials), cost of conversion and other costs incurred, as the case may be, in bringing the inventories to their present location and condition.

Stores and consumables are valued at cost arrived at on FIFO basis or net realisable value, whichever is lower

The books of accounts of the company doesn't carry any Inventory during the reporting period, hence this accounting standard does not have financial impact on the financial statements of the company.

**1.6 Foreign currencies transactions and translations**

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

The gain or loss on decrease/increase in reporting currency due to fluctuations in foreign exchange rates, in case of monetary current assets and liabilities in foreign currency, are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction.

**1.7 Provisions**

A provision is recognised when the Group has a present legal or constructive obligation as a

result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (other than employee benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

**1.8 Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivable.

**Interest Income**

Interest income from a financial asset is recognised using effective interest rate method. However, in respect of certain financial assets where it is not probable that the economic benefits associated with the transaction will flow to the entity and amount of revenue cannot be measured reliably, in such cases interest income is not recognised.

**1.9 Dividend Income**

Dividends will be recognised when the Group right to receive has been established

**1.10 Employee benefits**

1.10.1 Short term employee benefits

The undiscounted amount of short term employee benefits are expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

1.10.2 **Defined benefit plans**

**a) Gratuity**

In accordance with the Payment of Gratuity Act, 1972, Group provides for gratuity, a defined retirement plan (the "Gratuity Plan") covering the eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee salary and the tenure of employment. Liability with regard to the Gratuity Plan are determined by actuarial valuation as of the balance sheet date, based upon which, the Group contributes the ascertained liabilities to Insurer.

**b) Provident fund**

Eligible employees receive benefits from a provident fund, which is a defined contribution plan. Aggregate contributions along with interest thereon is paid at retirement, death, incapacitation or termination of employment. Both the employee and the Group make monthly contributions to the Regional Provident Fund Commissioner equal to a specified percentage of the covered employee's salary.

**c) Employee State Insurance Fund**

Eligible employees (whose gross salary is less than 21,000 per month) are entitled to receive benefit under employee state insurance fund scheme. The employer makes contribution to the scheme at a predetermined rate (presently 4.75%) of employee's gross salary. The Group has no further obligations under the plan beyond its monthly contributions. These contributions are made to the fund administered and managed by the Government of India. Monthly contributions are charges to income in the year it is incurred.

**1.11 Tax Expenses**

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the

comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

**Current tax**

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

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

**Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

**1.12 Leases**

Leases are classified as finance lease whenever the terms of the lease, transfers substantially all the risks and rewards of ownership to the lessee. Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight line basis over the period of the lease.

**1.13 Borrowing costs**

Borrowing costs incurred for obtaining assets which takes substantial period to get ready for their intended use are capitalized to the respective assets wherever the costs are directly attributable to such assets and in other cases by applying weighted average cost of borrowings to the expenditure on such assets. Other borrowing costs are treated as expense for the year.

Transaction costs in respect of long-term borrowings are amortized over the tenor of respective loans using effective interest method.

**1.14 Earnings per equity share**

**(i) Basic earnings per share**

Basic earnings per share is calculated by dividing:

- The profit attributable to owner of the Group.
- By the weighted number of equity shares outstanding during the financial year

**(ii)** Diluted earnings per share

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of share outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

**1.15** Financial Instruments

i. Financial assets

**A. Initial recognition and measurement**

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

a) Financial assets carried at amortized cost (AC)

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

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

A Financial asset which is not classified as AC or FVOCI are measured at FVTPL e.g. investments in mutual funds. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the Statement of Profit and Loss within other gains/(losses) in the period in which it arises.

c) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose Objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**B. Investments in subsidiaries**

The Group has accounted for its investments in subsidiaries at cost and not adjusted to fair value at the end of each reporting period. Cost represents amount paid for acquisition of the said investments.

ii. Financial Liabilities

**A. Initial recognition**

All financial liabilities are recognized at fair value.

**B.** Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**28. Contingent Liabilities not provided for is :**

| S.No. | PARTICULARS | 31.03.2020 | 31.03.2019 |
|---|---|---|---|
| 1 | Bill Discounted Under LC | NIL | NIL |
| 2 | Bill Discounted under BG | NIL | NIL |

**29. Related Party Disclosures**

As per Ind As 24 the disclosure of transactions with the related parties are given below

**Key Management Personnel (Directors)**

| | |
|---|---|
| Devanoori Srinivas | CFO(KMP) |
| Ganesh Vithal Kamanth | Director |
| Satish Kumar Yerneni | Director |
| Ravinder Rao Polasani | Managing director |
| Vanaja Kumari Dokiparthi | Director |
| Mohammed Sadiq Khan | Additional Director |
| Akilurahaman Khan | Additional Director |

**30. Auditors remuneration:**

| PARTICULARS | 2019-20 (Rupees) | 2018-19 (Rupees) |
|---|---|---|
| Audit Fee | 1,00,000 | 50,000 |
| Total | 1,00,000 | 50,000 |

**31.** The Board of Directors assesses the financial performance of the Company and make strategic

Decisions. The Company has only one reportable segment i.e '"trading of hardware and agriculture inputs"' and hence no separate disclosures are required under Ind AS 108.

**32.** Earnings per share (EPS):

The details of number of Equity shares used in calculating Basic and Diluted earnings per share are set out below:

| PARTICULARS | Year ended 31-03-2020 | Year ended 31-03-2019 |
|---|---|---|
| Weighted average Equity shares for computing Basic EPS | 7,25,81,100 | 7,25,81,100 |
| Dilutive impact of Share Warrants | - | - |
| Weighted average Equity shares for computing Diluted EPS | 7,25,81,100 | 7,25,81,100 |
| Profit After Tax | (1,15,81,726) | (4,11,51,710) |
| Earnings per Share | (0.16) | (0.57) |

**33.** The Group has not received any information from any of the supplier of their being Micro, Small and medium enterprises. Hence, the amounts due to Micro, Small and Medium enterprises outstanding as on 31-03-2020 was Rs. Nil

**34.** Balances in respect of trade payables, various advances and trade receivables are subject to confirmation from the respective parties.

As per our Report of even date
For **V. RAVI & CO.,**
Chartered Accountants
Firm Reg No: 006492S

**CA D. Ramesh Kumar**
Partner
Membership No: 217139
UDIN: 20217139AAAADT9520

Place : Hyderabad
Date :21.07.2020

For and on behalf of the Board
**TAAZA INTERNATIONAL LIMITED**

| | |
|---|---|
| Sd/- | Sd/- |
| P. Ravinder Rao | Akilurrahman Khan |
| Managing Director | Director |
| DIN 01445527 | DIN: 08460144 |

**Sd/-**

**Devanoori Srinivas**
CFO

## Statement of Changes in Equity

**For the year ended 31 March 2020**

**a. Equity share capital**

(Amount in Rs.)

| | Amount |
|---|---|
| **Balance as at the 1 April 2018** | **72,581,100** |
| Changes in equity share capital during 2018-19 | - |
| **Balance as at the 31 March 2019** | **72,581,100** |
| Changes in equity share capital during 2019-20 | - |
| **Balance as at the 31 March 2020** | **72,581,100** |

**b. Other equity**

(Amount in Rs.)

| | Reserves and surplus | | | | Items of Other comprehensive income (OCI) | Total |
|---|---|---|---|---|---|---|
| | General Reserve | Capital Reserve | Securities Premium Reserve | Retained earnings | Others | |
| Balance at 31 March 2018 | 1,443,435 | - | 4,400,000 | 34,812,242 | - | 40,655,677 |
| Total comprehensive income for the year ended 31 March 2019 | | | | | | |
| Profit or loss | | | - | (26,501,055) | - | (26,501,055) |
| Other comprehensive income (net of tax) | | | - | - | - | - |
| Total comprehensive income | - | | - | (26,501,055) | - | (26,501,055) |
| Transactions with owners in their capacity as owners | - | | - | - | - | - |
| Balance at 31 March 2019 | 1,443,435 | - | 4,400,000 | 8,311,187 | - | 14,154,622 |
| Total comprehensive income for the year ended 31 March 2020 | | | | | | |
| Profit or loss | | | - | (8,833,990) | - | (8,833,990) |
| Other comprehensive income (net of tax) | | | - | - | - | - |
| Total comprehensive income | - | | - | (8,833,990) | - | (8,833,990) |
| Transactions with owners in their capacity as owners | - | | - | - | - | - |
| Balance at 31 March 2020 | 22,800 | - | 4,202,500 | (522,802) | - | 5,320,633 |

As per our report of even date

**For V. RAVI & CO.,**
Firm Registration Number : 006492S
Chartered Accountants

**CA D. Ramesh Kumar**
Partner
Membership No. 217139
UDIN: 20217139AAAADT9520

Place : Hyderabad
Date : 21.07.2020

For and on behalf of the Board of Directors of
**TAAZA INTERNATIONAL LIMITED**

Sd/-
P. Ravinder Rao
Managing Director
DIN 01445527

Sd/-
Akilurrahman Khan
Director
DIN: 08460144

Sd/-

**Devanoori Srinivas**
CFO