

NOTICE OF MEETING OF THE EQUITY SHAREHOLDERS OF CHORDIA FOOD PRODUCTS LIMITED PURSUANT TO ORDER DATED 15TH MARCH 2021 OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

Day	Tuesday
Date	27 th April 2021
Time	11.30 A.M
Mode	As per the directions of the Hon'ble National Company Law Tribunal, Mumbai Bench, the meeting shall be conducted through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM'), in view of the ongoing COVID-19 pandemic and related social distancing norms
Cut-off date for e-Voting	Tuesday 20 th April, 2021
Remote e-Voting start date	Saturday, 24 th April 2021 from 9:00 a.m. (IST)
Remote e-Voting end date and time	Monday, 26 th April 2021 to 5:00 p.m. (IST)

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CHORDIA FOOD PRODUCTS LTD.

Office: Above S. K. Agencies, 38/39, Tarkar Compound, Hadapsar Industrial Estate, Hadapsar, Pune-411 013,
Tel.: 020-25871500 Website: www.chordiafoods.com

Registered Office: 399/400, Sangavi (Shirwal), Tal. Khandala, Dist. Satara-412801
Tel.: 9922990065 CIN : L15995PN1982PLC026173



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CHORDIA FOOD PRODUCTS LTD.

Office: Above S. K. Agencies, 38/39, Tarkar Compound, Hadapsar Industrial Estate, Hadapsar, Pune-411 013,

Tel.: 020-26871500 **Website:** www.chordiafoods.com

Registered Office: 399/400, Sangavi (Shirwal), Tal. Khandala, Dist. Satara-412801

Tel.: 9922990065 **CIN :** L15995PN1982PLC026173

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH AT MUMBAI**

C.A.(CAA)/ 1177/MB-IV/2020

In the matter of the Companies Act, 2013 (18 of 2013).

AND

**In the matter of Sections 230 to 232 read with section 66 of
the Companies Act, 2013.**

AND

**In the matter of the Scheme of Arrangement of Chordia
Food Products Limited with Aveer Foods Limited and their
Respective Shareholders.**

Chordia Food Products Limited,)
[CIN: L15995PN1982PLC026173] A Company incorporated under)
the Companies Act, 1956 having its registered office at Plot No)
399/400 S No. 398 Tal-Shirwal Village – Sangvi, Dist-Satara,) **...APPLICANT COMPANY**
412801.

**NOTICE CONVENING MEETING OF EQUITY SHAREHOLDERS OF CHORDIA
FOOD PRODUCTS LIMITED, THE APPLICANT/ DEMERGED COMPANY**

To,
The Equity Shareholders of
Chordia Food Products Limited

TAKE NOTICE THAT by an order dated Monday, 15th March 2021, in the abovementioned Company Scheme Application (the ‘**Order**’), the Hon’ble National Company Law Tribunal, Mumbai Bench (‘**Hon’ble Tribunal**’ or ‘**NCLT**’) has directed **inter alia** that a meeting of the Equity Shareholders of Chordia Food Products Limited (the ‘**Applicant Company**’), be convened and held for the purpose of considering, and, if thought fit, approving, with or without modification, the proposed Scheme of Arrangement (‘**Scheme**’ or ‘**Scheme of Arrangement**’) between **Chordia Food Products Limited** (‘the Demerged Company’ or ‘**CFPL**’) and **Aveer Foods Limited** (‘the Resulting Company’ or ‘**AFL**’) and their respective shareholders.

TAKE FURTHER NOTICE THAT in pursuance of the said Order and as directed therein, a meeting of the Equity Shareholders of the Company will be held through Video Conferencing (‘**VC**’) / Other Audio Visual Means (‘**OAVM**’) on Tuesday, 27th day of April 2021 at 11.30 A.M (IST) (the ‘**Meeting**’), at which day, date and time you are requested to attend through Electronic Mode.

A copy each of , the Explanatory Statement under Section 230(3) read with Section 102 and Section 232(2) of the Companies Act, 2013 (the ‘**Act**’) and Rule 6(3) of the Companies

(Compromises, Arrangements and Amalgamations) Rules, 2016 and Scheme and other annexures as stated in the Index, are enclosed herewith.

The Hon'ble Tribunal has appointed Mr. Hukmichand Sukhlal Chordia, Chairman of the Applicant Company failing him Mr. Pradeep Hukmichand Chordia, Managing Director of the Applicant Company failing him Mr. Bapu Ramchandra Gavhane, Wholetime Director of the Applicant Company to be the Chairperson of the Meeting.

The Scheme, if approved by the Equity Shareholders, will be subject to the subsequent approval of the Hon'ble Tribunal.

TAKE FURTHER NOTICE THAT Company has provided the Equity Shareholders with the facility for casting their votes by way of remote e-Voting using facility offered by Central Depository Services Limited ('CDSL') prior to the meeting. It may be noted that e-Voting is also available during the Meeting through VC/OAVM. The shareholders may refer to the 'Notes' to this Notice for further details on remote e-Voting.

TAKE FURTHER NOTICE THAT in terms of the MCA Circulars read with Order of Hon'ble NCLT directing this Meeting, since the physical attendance of members has been dispensed with, there is no requirement of appointment of proxies. Accordingly the facility of appointment of proxies by Members under Section 105 of the Act will not be available for this Shareholder's Meeting. Hence the Proxy Form and Attendance slip and Route Map are not annexed to the Notice. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the Corporate Members may be appointed for the purpose of voting through remote e voting for participation of the meeting through VC/OAVM and e-Voting during the meeting, provided an authority letter/power of attorney by the board of directors or a certified copy of the resolution passed by its board of directors or other governing body authorizing such representative to attend and vote at the meeting through VC/OAVM on its behalf along with the attested specimen signature of the duly Authorized Signatory(ies) who are authorized to vote, is emailed to the Scrutinizer at cs.cfpl@gmail.com with a copy marked to evoting@cdsl.co.in not later than 48 (forty eight) hours before the time for holding the Meeting. Kindly refer Notes below for further details on the voting procedure.

TAKE FURTHER NOTICE THAT the voting rights of the Equity Shareholders shall be in proportion to their Equity shareholding in the Company as on the close of business on Tuesday 20th ,April, 2021 ('Cut-off Date').

NOTICE IS HEREBY FURTHER GIVEN THAT the Equity Shareholders are requested to consider and, if thought fit, approve with or without modification(s) and with requisite majority, the following resolution under Section 230 read with Section 232 and Section 66 of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (including any statutory modification(s) or re-enactment thereof for the time being in force):-

"RESOLVED THAT pursuant to the provisions of Section 230(1) read with Section 232(1) and Section 66 of the Companies Act, 2013 (the 'Act') read with the Companies

(Compromises, Arrangements and Amalgamations) Rules, 2016 (including any statutory modification(s) or re-enactment thereof for the time being in force), and other applicable provisions of the Act and the provisions of the Memorandum and Articles of Association of the Company and subject to the approval of the National Company Law Tribunal ('Hon'ble Tribunal'), Mumbai Bench and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the Hon'ble Tribunal or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any other person authorized by it to exercise its powers including the powers conferred by this Resolution), the arrangement embodied in the proposed Scheme of Arrangement between Chordia Food Products Limited and Aveer Foods Limited and their respective shareholders (the 'Scheme') presented in Company Application (CAA) No. 1177/MB-IV/2020 filed jointly by Chordia Food Products Limited along with Aveer Foods Limited, before the Hon'ble Tribunal, be and is hereby approved.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to the above resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, at any time and for any reason whatsoever, which the Company may deem appropriate or which may be required and/or imposed by the Hon'ble Tribunal or by any regulatory or other authorities, while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise in giving effect to the Scheme, as the Board may deem fit and proper.”

Sd/-
Hukmichand Sukhlal Chordia
DIN:00389587
Chairman appointed for the Meeting

Date: This 26th day of March, 2021
Place: Pune
Registered Office: Plot No 399/400
S No. 398 Tal-Shirwal Village – Sangvi,
Dist-Satara, 412801
CIN: L15995PN1982PLC026173
Tel: 9130076856
Fax:
E-mail: cs.cfpl@gmail.com
Website: www.chordiafoods.com

NOTES FOR MEETING OF EQUITY SHAREHOLDERS OF THE COMPANY:

1. General instructions for accessing and participating in the Meeting through Video Conference/Other Audio Visual Means Facility and voting through electronic means including remote e-Voting

- a) As per NCLT Order dated 15th March 2021 read with Circular No.SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020 issued by the Securities and Exchange Board of India ('SEBI Circular'), the Meeting of the Equity Shareholders of the Company will be held through VC/OAVM facility, without the physical presence of the Members at a common venue. In compliance with the applicable provisions of the Companies Act, 2013 (the 'Act') (including any statutory modification or re-enactment thereof for the time being in force) read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (the 'Rules'), SEBI Circular and pursuant to Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as amended from time to time, the Meeting of the Equity Shareholders of the Company is scheduled to be held on Thursday, 11th day of March 2021, at 11 A.M (IST) through VC/OAVM and the voting for the item to be transacted in the Notice to this Meeting only through remote electronic voting process ('e-Voting').
- b) As the Meeting is being held through VC/OAVM, the facility for appointment of proxies by the Equity Shareholders is not available for the Meeting and hence, the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.
- c) Only registered Equity Shareholders of the Company may attend (either in person or by Authorised Representative) the said Meeting of the Equity Shareholders of the Company, being conducted through VC/OAVM.
- d) The Authorised Representative of a body corporate, which is a registered Equity Shareholder of the Company, may attend the Meeting provided that a certified true copy of the resolution or the authority letter or power of attorney of the board of directors or other governing body of the body corporate authorizing such representative to attend and vote at the Meeting is emailed to the Scrutinizer at cs.cfpl@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com not later than 48 hours before the scheduled time of the commencement of the Meeting.
- e) 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' the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the meeting. 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 meeting will be provided by CDSL.
- f) The Members can join the MEETING in the VC/OAVM mode 30 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 Meeting through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the MEETING without restriction on account of first come first served basis.
 - g) The attendance of the Members attending the meeting through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
 - h) In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the meeting has been uploaded on the website of the Company at www.chordiafoods.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com. The MEETING Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the MEETING) i.e. www.evotingindia.com.
 - i) Shareholder will be provided with a facility to attend the meeting 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.
 - j) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
 - k) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
 - l) 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.
 - m) 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 atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the MEETING but have queries may send their queries in advance **7 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.
 - n) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

2.General Instructions for remote E-VOTING: [EVSN: 210326001]

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rules prescribed there for, Secretarial Standards -2 on General Meeting and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) 2015, the Company offers remote E-voting option to all the Members for all the Items covered in the Notice convening the Shareholders Meeting. For this purpose, the Company has made an arrangement with Central Depository Services (India) Limited (CDSL) for facilitating E-voting as an alternate for the Members to enable them to cast their votes electronically.

The EVSN allotted by CDSL for Electronic Voting is EVSN: 210326001.

The Members are requested to read the following instructions for voting via electronic mode. The Members who opt for voting via electronic mode are requested to go through the instructions given below and they should vote electronically during Saturday, 24th April, 2021 at 9:00 AM (starting time) and ends at 5:00 PM on Monday 26th April, 2021(Ending Time)

The procedure and instructions for E-voting are as follows:

- i. The voting period begins 9.00 a.m. (Starting Time) on Saturday 24th April, 2021 and ends at 5.00 p.m. (Ending Time) on Monday 26th April, 2021. During this period Shareholders' of the Company, holding Shares either in physical form or in dematerialized form, as on the cut-off date, Tuesday, 20th April, 2021 may cast their vote electronically. The E-voting module shall be disabled by CDSL for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. The Shareholders should log on to the e-voting website www.evotingindia.com;
- iv. Click on "Shareholders" tab to caste your votes;
- v. Now Enter your User ID
 - a) For Shareholder holding De-materialized Shares in CDSL: 16 digits beneficiary ID,
 - b) For Shareholder holding De-materialized Shares in 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.
- vi. Enter the image Verification as displayed and Click on Login.

- vii. 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.
- viii. 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) - 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. - 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 OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. 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 (v).

- ix. After entering these details appropriately, click on “SUBMIT” tab;
- x. Members holding shares in physical form will then reach directly 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.
- xi. For Members holding shares in physical form, the details can be used only for E-voting on the resolutions contained in this Notice.
- xii. Click on the EVSN for Chordia Food Products Limited on which you choose to vote.
- xiii. 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.

- xiv. Click on the “Resolutions File Link” if you wish to view the entire Resolutions details.
- xv. 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.
- xvi. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvii. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xviii. If Demat account holder has forgotten the changed password then Enter the User ID and Image Verification Code and click on Forgot Password & enter the details as prompted by the system.
- xix. Note for Institutional Shareholders and Custodians
- Institutional Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporate.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the Scrutinizer to verify the same.
- xx. 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.
- xxi. Following are the important dates:

Cut off date for E-Voting	Tuesday, 20th April, 2021
E-voting Start date /time	Saturday, 24th April, 2021 at 9:00 AM
E-voting End date/Time	Monday 26th April, 2021 at 5: 00 PM
Meeting date/Time	Tuesday, 27th April, 2021 at 11: 30 AM

The procedure and instructions for M-voting are as follows:

- xxii.** The Shareholders can also cast their Votes 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.

Scrutinizer and Scrutinizer's Report

- xxiii.** Mr. Shekhar S. Ghatpande, Practicing Company Secretary (FCS No. 1659, Certificate of Practice Number 782) has been appointed as the Scrutinizer to scrutinize E-voting process i.e remote E-voting and e-voting at the time of MEETING in a fair and transparent manner.
- xxiv.** The scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the Votes cast in the meeting and thereafter unblock the votes cast through E-voting in the presence of at least two witnesses who are not in the employment of the Company. The e-voting option at the time of meeting will be closed at the time of conclusion of meeting.
- xxv.** The Scrutinizer shall make a consolidated Scrutinizers Report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith not later than forty eight hours of the conclusion of the meeting,
- xxvi.** The Results declared along with the Report of the Scrutinizer shall be placed on the website of the Company at www.chordiafoods.com in and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Ltd.
- xxvii.** Corporate/Institutional Members (i.e. other than individuals, HUF, NRI etc.) may also cast their vote as shareholder for respective company and send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority Letter etc. together with attested specimen signature(s) of the duly authorized signatory/(ies) who are authorized to vote, to the Scrutinizer at email ID: cs.cfpl@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com. The scanned copy image of the above mentioned documents should be in the naming format "Corporate Name- EVSN."

3. Instructions For Shareholders For E-Voting During meeting are as under:-

- a) The procedure for e-Voting on the day of the meeting is same as the instructions mentioned above for Remote e-voting.
- b) Only those shareholders, who are present in the meeting 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 meeting.

- c) If any Votes are cast by the shareholders through the e-voting available during the meeting 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.
- d) Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the meeting.

Sd/-
Hukmichand Sukhlal Chordia
DIN:00389587
Chairman appointed for the Meeting

Date: This 26th day of March, 2021
Place: Pune
Registered Office: Plot No 399/400
S No. 398 Tal-Shirwal Village – Sangvi,
Dist-Satara, 412801
CIN: L15995PN1982PLC026173
Tel: 9130076856
E-mail: cs.cfpl@gmail.com
Website: www.chordiafoods.com

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH AT MUMBAI**

C.A.(CAA)/1177/MB-IV/2020

In the matter of the Companies Act, 2013 (18 of 2013).

AND

**In the matter of Sections 230 to 232 read with Section 66 of
the Companies Act, 2013.**

AND

**In the matter of the Scheme of Arrangement of Chordia
Food Products Limited with Aveer Foods Limited and Their
Respective Shareholders.**

Chordia Food Products Limited,	)	
[CIN: L15995PN1982PLC026173]a company incorporated	)	
under the Companies Act, 1956 having its registered office at	)	
Plot No 399/400 S No. 398 Tal-Shirwal Village – Sangvi, Dist-	)	...APPLICANT COMPANY
Satara, 412801.		

**EXPLANATORY STATEMENT OF THE RESOLUTION PROPOSED IN THE
MEETING OF EQUITY SHAREHOLDERS OF CHORDIA FOOD PRODUCTS
LIMITED UNDER SECTION 230 AND 102 OF THE COMPANIES ACT, 2013 READ
WITH THE COMPANIES (COMPROMISES, ARRANGEMENTS AND
AMALGAMATIONS) RULES, 2016 CONVENED AS PER THE DIRECTIONS OF
THE NATIONAL COMPANY LAW TRIBUNAL.**

1. This is an Explanatory Statement accompanying the Notice convening Meeting of Equity Shareholders of the Company, pursuant to order dated 15th March 2021 passed by the Hon'ble National Company Law Tribunal, Mumbai Bench ('Hon'ble Tribunal' or 'NCLT') in the Company Scheme Application referred to hereinabove, to be held through video conference/ Other Audio Visual Means ('VC/OAVM') on Thursday, 11th day of March 2021 for the purpose of considering and, if thought fit, approving with or without modification(s), the proposed Scheme of Arrangement ('Scheme') between of **Chordia Food Products Limited** ('the Demerged Company' or 'CFPL') and **Aveer Foods Limited** ('the Resulting Company' or 'AFL') and their respective shareholders under Sections 230 to 232 read with Section 66 of the Companies Act, 2013 ("Act") (including any statutory modification or re-enactment or amendment thereof) read with the rules issued there under and provisions of the Companies Act, 2013 as may be applicable. The other definitions contained in the Scheme will apply to this Explanatory Statement also. The following statements are set out as required under Section 230(3) of the Companies Act, 2013 and Section 102 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
2. The draft Scheme of Arrangement was placed before the Audit Committee of Applicant Company on 5th February 2020 and before the Board of Directors at their meeting held on

5th February 2020. Based on the recommendations of the Audit Committee and on the basis of the evaluations, the Board of Directors of the Applicant Company has come to the conclusion that the Scheme is in the best interest of the Applicant Company and its shareholders. A copy of the Scheme as approved by the Board of Directors of the Applicant Company is enclosed herewith.

3. Pursuant to the Order dated 15th March 2021, a meeting of the equity shareholders of the Company is being convened and held for the purpose of considering and if thought fit, approving, with or without modification(s), the proposed Scheme. Equity shareholders would be entitled to vote on the Resolution through Electronic Mode as mentioned above. The quorum of the aforesaid meetings shall be 15 (Fifteen) Equity shareholders of the Applicant Company, present through VC/ OAVM mode. In case if the quorum as noted above is not present at the meeting, then the meeting shall be adjourned by half an hour, and thereafter the persons present and voting shall be deemed to constitute the quorum.

4. Background of **Chordia Food Products Limited** is as under:

4.1 The Applicant Company was originally incorporated under the name and style of Chordia Food Products Private Limited on 20th January, 1982 under the Companies Act, 1956 in the State of Maharashtra. Subsequently on the conversion of the company from Private Limited to Public Limited the name of the Applicant Company changed from Chordia Food Products Private Limited to Chordia Food Products Limited vide certificate given by the Registrar of Companies dated 7th May 1986. The Corporate Identification Number (CIN) and PAN of Demerged Company are L15995PN1982PLC026173 and AAACC7421J. The email address of the Applicant Company is cs.cfpl@gmail.com.

4.2 The Registered office of the Applicant Company is situated at Plot No 399/400 S No. 398 Tal-Shirwal Village – Sangvi, Dist-Satara, 412801.

4.3 The authorised, issued, subscribed and paid-up share capital of the Applicant Company as on 31st March 2020 is as under:

Particulars	Amount in Rs.
Authorized Share Capital:	
55,50,000 Equity Shares of Rs. 10/- each	55,500,000
Total	55,500,000
Issued, Subscribed and Paid –Up:	
40,28,252 Equity Shares of Rs. 10/- each	40,282,520
Share Forfeiture	17,250
Total	4,02,99,770

There is no change in the above share capital of the Applicant Company till date.

4.4 The main object of the Applicant Company as set out in the Memorandum of Association is as under:

4.4.1 *To prepare, manufacture, market, trade, import, export, improve, sell Pickles and Spices such as Chillies, Pepper, Cloves, Turmeric.*

4.4.2 *To prepare, manufacture, market, trade, import, export, improve, process, sell and carry on the business of canners, preservers, growers of vegetables, fruits, herbs, flowers, medicines, drinks, fluids and other fresh and/or preservable products and generally to carry on the manufacturing of Pickles, Chutney, Masalas, Mixtures, Vinegars, Ketchups, Juices, Squashes, Jams, Jellies, Custard Powder, Powder (edible), Drinks, Beverages, Gelatins, Essences, Ice creams, Milk preparations, Table Delicacies and other Eatables.*

4.5 The Applicant Company is engaged in the business of Manufacturing of processed fruits and vegetables in Western India for more than three decades and has been successfully selling its products under the brand name Pravin, Navin, Toofan and Suhana-Pravin. Currently, the Company is having two business divisions: Food Division & Food Infra Division.

4.6 There has been no change in name, registered office and objects of the Applicant Company during the last five years.

4.7 The Applicant Company is a Public Limited Company and its shares are listed on BSE Limited.

4.8 The details of Directors and Key Managerial Personnel (KMP) of the Applicant Company along with their addresses are mentioned herein below.

Sr. No.	Name of Director	Category	Address
1.	Mr. Hukmichand Sukhlal Chordia	Chairman	14/15 Motibaug society, Swagat Bunglow, Pune-Satara Road, Pune-411037
2	Mr. Pradeep Hukmichand Chordia	Managing Director	89 Vidyasagar Colony, Pranam Bunglow, Salisbury, Park, gultekdi, Pune-411037
3	Mr. Bapu Ramchandra Gavhane	Executive Director	C-14 Suyog Aditya Residency, Bibwewadi, Pune-411037.
4	Mr. Vijaykumar Chandulal Kankaliya	Independent Director	Fl No. 06, SN 64/14, Ambience Empyrean, BL- B Kawade Mala, Near garden, Ghorpadi, Pune-411001
5	Dr. Ajitkumar Harichand Mandlecha	Independent Director	S. No. 689/4, CTS No. 1887, FL 6, Padma Society, Bibwewadi, Pune-411037

6	Mrs. Zalak Neil Shah	Independent Woman Director	Bungalow No. 7, Gokul, Sagar group of Bungalows, Fatima Nagar, Nera bhairoba Nala, Pune-411013.
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Sr. No.	Name of KMP	Designation	Address
1	Mr. Bapu Ramchandra Gavhane	Chief Financial Officer	C-14 Suyog Aditya Residency, Bibwewadi, Pune-411037.
2	Ms. Tejashree Vinayak Bhalerao	Company Secretary	4/47 Netaji Nagar, Wanwadi, Pune- 411040.

4.9 The Details of Promoters (including Promoter Group) of the Applicant Company along with their address are mentioned herein below

Sr. No.	Name of Promoter	Category	Address	No of Shares
1	Mr. Rajkumar Hukmichand Chordia	Individual	14/15 Motibaug society, SwagatBungalow, Pune- Satara Road, Pune-411037	15,44,968
2	Mr. Pradeep Hukmichand Chordia	Individual	89 Vidyasagar Colony, Pranam Bungalow, Salisbury, Park, gultekdi, Pune-411037	3,73,102
3	Mrs. Meena Pradeep Chordia	Individual	89 Vidyasagar Colony, Pranam Bungalow, Salisbury, Park, Gultekdi, Pune-411037	2.19,941
4	Dr. Pravin Hukmichand Chordia	Individual	89-90 Vidyasagar Colony, Marketyard, Pune-411037.	20,908
5	Mr. Vishal Rajkumar Chordia	Individual	14/15 Motibaug society, Swagat Bungalow, Pune- Satara Road, Pune-411037	1,78,730
6	Mr. Anand Rajkumar Chordia	Individual	14/15 Motibaug society, Swagat Bungalow, Pune- Satara Road, Pune-411037	1,87,520
7	Mrs. Madhubala Rajkumar Chordia	Individual	14/15 Motibaug society, Swagat Bungalow, Pune- Satara Road, Pune-411037	1,97,775
8	Mrs. Shweta Vishal Chordia	Individual	14/15 Motibaug society, Swagat Bungalow, Pune- Satara Road, Pune-411037	1,87,574
9	Mr. Hukmichand Sukhlal Chordia	Individual	14/15 Motibaug society, Swagat Bungalow, Pune- Satara Road, Pune-411037	933
10	Late Mrs.	Individual	14/15 Motibaug society,	933

	Kamalbhai Hukmichand Chordia		Swagat Bunglow, Pune- Satara Road, Pune-411037	
11	Mrs. Anuradha Sanjog Jain (Ms. Anuradha Pradeep Chordia)	Individual	89 Vidyasagar Colony, Pranam Bunglow, Salisbury, Park, Gultekdi, Pune-411037	486
12	Mrs. Neelam Sameer Goyal (Ms. Neelam Pradeep Chordia)	Individual	89 Vidyasagar Colony, Pranam Bunglow, Salisbury, Park, Gultekdi, Pune-411037	27
13	Mrs. Namita Kushal Pittie (Ms. Namita Pradeep Chordia)	Individual	89 Vidyasagar Colony, Pranam Bunglow, Salisbury, Park, Gultekdi, Pune-411037	19
14	Chordia Technologies (India) LLP	Non Individual	48/A Parvati Industrial Estate, Pune Satara road, Pune- 411037.	969
	Total			29,13,885

4.10 The amount due to Secured Creditors as on 30th September 2020 of the Applicant Company is Rs. 5,48,90,876/-

4.11 The amount due to Unsecured Creditors as on 30th September 2020 of the Applicant Company is Rs. 4,04,86,276/-

5 Background of Aveer Foods Limited is as under:

5.1 The Resulting Company was originally incorporated under the name and style of “Aveer Foods Limited” on 11th April 2019 under the Companies Act, 2013, in the State of Maharashtra. The Corporate Identification Number (CIN) and PAN of Applicant Company are U15549PN2019PLC183457 and AASCA2192G. The email address of the Applicant Company is cfp.bapu@gmail.com.

5.2 The Registered office of the Resulting Company is situated at Plot 55/A/5 6, Hadapsar Industrial Estate, Near Tata Honywell, Pune 411013

5.3 The authorised, issued, subscribed and paid up share capital of the Resulting Company as on 31st March 2020, is as under:

Particulars	Amount in Rs.
Authorized Share Capital:	
50,00,000 Equity Shares of Rs. 10/- each	5,00,00,000
Total	100,000
Issued, Subscribed and Paid –Up:	
10,000 Equity Shares of Rs. 10/- each	1,00,000
Total	100,000

There is no change in the above share capital of the Resulting Company till date.

5.4 The main object specified in the Memorandum of Association of the Resulting Company is briefly as follows:

To plant, grow, produce, manufacture, process, prepare, extract, formulate, refine, hydrolyse, grind, bleach, cultivate, maintain, buy, sell, pack, repack, preserve, treat, import, export, and deal in Agricultural, Horticultural and Farm produce including food grains, pulses, rice, dals, Edible Oils, Cotton, Sugar, fruits, vegetables, plants, flowers, and Food Products manufactured and prepared thereof like flour, besan, wheat, rice, atta, hemp flax maize, starch, glucose, dextrose, paddy, sago, cereals, Ready to Eat Food Products, Drinking Mixes and Syrups, Pulps, Juices, Squashes, Jams, Jellies, Ketchups, Pickles, Papads, Spices, Chutney, Custard Powder, Bakery Products, Edible Powder, Drinks, Beverages, Ice- Creams, Food Substances, Food Concentrates, and Food Products, Health Products, Diet Food, including Soya Nuggets, Soya Lecithin, Raw Cashew and Cashew Cornel, Nuts, Dry Fruits, Baby Foods, Chocolates, Biscuits, Drinking Mixes, blended Tea, Coffee and other Drinks and to own, establish, run, maintain, manage processing centers, refineries and manufacturing, filtering and drying and Cold-storage Plants.

5.5 The Resulting Company is engaged in the business of Manufacturing of food products and dealing in agricultural, horticultural and farm produce.

5.6 The Resulting Company is Public Limited Company and its shares are not listed on any stock exchange.

5.7 There has been no change in name, registered office and objects of the Applicant Company since the date of its incorporation.

5.8 The details of Directors any Key Managerial Personnel (KMP) of the Resulting Company along with their address are mentioned herein below.

Sr. No.	Name of Director	Category	Address
1	Mr. Rajkumar Hukmichand Chordia	Director	14/15 Motibaug society, Swagat Bunglow, Pune- Satara Road, Pune- 411037
2	Mr. Vishal Rajkumar Chordia	Director	14/15 Motibaug society, Swagat Bunglow, Pune- Satara Road, Pune-411037
3	Mr. Anand Rajkumar Chordia	Director	14/15 Motibaug society, Swagat Bunglow, Pune- Satara Road, Pune- 411037

5.9 The Details of Promoters (including Promoter Group) of the Resulting Company along with their address are mentioned herein below:

Sr. No.	Name of Promoter	Category	Address	No of Shares
1	Mr. HukmichandSukhlal Chordia	Individual	14/15 Motibaug society, SwagatBungalow, Pune-Satara Road, Pune-411037	10
2	Mr. Rajkumar Hukmichand Chordia	Individual	14/15 Motibaug society, SwagatBungalow, Pune-Satara Road, Pune-411037	10
3	Mrs. Madhubala Rajkumar Chordia	Individual	14/15 Motibaug society, SwagatBungalow, Pune-Satara Road, Pune-411037	
4	Mr. Vishal Rajkumar Chordia	Individual	14/15 Motibaug society, SwagatBungalow, Pune-Satara Road, Pune-411037	10
5	Mr. Anand Rajkumar Chordia	Individual	14/15 Motibaug society, SwagatBungalow, Pune-Satara Road, Pune-411037	10
6	Mrs. Shweta Vishal Chordia	Individual	14/15 Motibaug society, SwagatBungalow, Pune-Satara Road, Pune-411037	10
7	Mr. RikhabDagdulalLunawat	Individual	M-16, Kumar Park, Bibwewadi, near Khushbu Hotel, Bibwewadi, Pune-411037.	10
8	Chordai Food Products Limited	Non-Individual	Plot No. 399/ 400 S. No. 398 Village Sanghvi, Shirwal, Taluka Khandala, District Satara- 412801.	9930
	Total			10,000

5.10 There are no secured creditors of the Resulting Company.

5.11 The amount due to Unsecured Creditors as on 30th September 2020 of the Resulting Company is Rs 1,31,55,467 /-.

6 Rationale of the scheme:

- 6.1 Segregation of business of the food division of the Demerged Company into Resulting Company in a manner provided in this scheme resulting into enhanced strategic flexibility to build a viable platform solely focusing on each of the business.
- 6.2 Allowing management of each company to pursue independent growth strategies and unlock significant value for shareholders
- 6.3 Allow in creating the ability to achieve valuation based on respective risk-return profile and cash flow, attracting right investors and thus enhancing flexibility in accessing capital;
- 6.4 Provide scope of separate companies for independent collaboration and expansion including expanding potential Clients/Customer market for each business
- 6.5 Aveer Foods Limited will acquire the Food Division on going concern basis from Chordia Food Products Limited. Chordia Food Products Limited will focus on other commercial activities/businesses mainly Food Infra Business and all other businesses including contract manufacturing. The demerger will ensure focused management attention and resources and skill set allocation.
- 6.6 The nature of Technology, Risk, Competition and capital intensity involved in each of the Undertakings of the Demerged Company is distinct from each other. Consequently, each Undertaking of the Demerged Company is capable of addressing independent business opportunities, deploying different technologies and attracting different set of Investors, Strategic Partners, Lenders and Other Stakeholders. Hence as a part of overall business reorganization plan, it is considered desirable and expedient to reorganize and reconstruct the Demerged Company by Demerging the Demerged Undertaking to the Resulting Company in the manner and on the terms and conditions contained in the Scheme.
- 6.7 Upon the scheme becoming operative, the investment in shares held in AFL as appearing in the Books of Accounts of CFPL shall stand cancelled and extinguished and result in Capital Reduction in the Resulting Company. This would enable the shareholders of the Demerged Company to hold shares in the Resulting Company in the same proportion in which they currently hold shares in the Demerged Company.
- 6.8 The Purpose of the Scheme is to give effect to the bona fide Rational of the Scheme which includes but not limited to long term vision of Group with respect to independent management and growth of both the business (i.e. Food division and Food Infra business), value-addition to various stake holders (including government authorities) and contribution to the development of social-economic parameters based on commercial substance of the Scheme

7 Salient features of the Scheme

- a) "Appointed Date" shall mean 1st April 2020 or such other date as may be fixed by the Tribunal.
- b) "Operative Date" means the date on which certified copies of the NCLT order sanctioning this Scheme is filed with the Registrar of Companies, Pune

- c) With effect from the Appointed Date, the whole of the Demerged Undertaking comprising of all movable assets and properties and all other assets and liabilities of whatsoever nature and wheresoever situated, shall, under the provisions of Section 230 to Section 232 read with Section 66 and all other applicable provisions, if any, of the Act, without any further act or deed (save as provided in clauses 5.2 and 5.3 of the Scheme) be transferred to and vested in and/or be deemed to be transferred to and vested in the Resulting Company as a going concern so as to become as the assets and liabilities of the Resulting Company from the Appointed Date and to vest in the Resulting Company all the rights, title, interest or obligations of the Undertaking of Demerged Company therein.
- d) With effect from the Appointed Date, all, debts, liabilities, contingent liabilities, duties and obligations of every kind, nature and description of the Demerged Undertaking of the Demerged/ Applicant Company shall without any further act or deed, be transferred to or be deemed to be transferred to Resulting Company so as to become as from the Appointed Date the debts, liabilities, contingent liabilities, duties and obligations of Resulting Company and it shall not be necessary to obtain the consent of any third party or another person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions of this Sub-clause.
- e) All contracts, deeds, bonds, agreements including leasehold agreement related to factory land and building and other instruments entered into by the Demerged/ Applicant Company, if any, of whatsoever nature and relating only to the Demerged Undertaking subsisting or being in force on the Operative Date, shall be in full force and effect against or in favour of the Resulting Company, as the case may be, and may be enforced by or against the Resulting Company as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party thereto from inception. The Resulting Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any arrangements, confirmations or novations, in order to give formal effect to the provisions of this Scheme. The Resulting Company shall be deemed to be authorised to execute any deeds, writings or confirmations on behalf of the Demerged Company and to implement or carry out all formalities required on the part of the Demerged Company to give effect to the provisions of Part II of the Scheme.
- f) All legal proceedings of whatsoever nature by or against the Demerged/ Applicant Company pending and/or arising at the Appointed Date relating only to the Demerged Undertaking of the Demerged/ Applicant Company, as and from the Operative Date, shall be continued and enforced by or against Resulting Company in the manner and to the same extent as would or might have been continued and enforced by or against the Demerged/ Applicant Company.
- g) All permanent Employees pertaining to the Demerged Undertaking of Demerged/ Applicant Company, in service on the Operative Date, shall become employees of the

Resulting Company on such date without any break or interruption in service and on terms and conditions as to remuneration not less favorable than those subsisting with reference to the Demerged/ ApplicantCompany as on the said date.

- h) Upon the Scheme becoming operative and in consideration of the transfer and vesting of the Demerged Undertaking of the Demerged/ ApplicantCompany in the Resulting Company in terms of this Scheme, the Resulting Company shall, without any application or deed, issue and allot to the shareholders of the Demerged/ ApplicantCompany whose names appear in the register of members of the Demerged/ ApplicantCompany on the Record Date 1(One) Equity Share of the face value of Rs. 10/- each of the Resulting Company for every 1 (One) Equity Share of the face value Rs. 10/- each held by the shareholders in the Demerged/ ApplicantCompany.
- i) In order to achieve objectives of focused management for the Demerged/ ApplicantCompany and Resulting Company which is an integral objective of the scheme, within 12 (Twelve) months from the listing of equity shares of Resulting Company there will be realignment of shareholding between the promoters of the Demerged/ ApplicantCompany and Resulting Company as more specifically described in the clause no. 9.10 of the scheme. The proposed realignment will neither change the total shareholding/ voting rights of the promoter groups of the Demerged/ Applicant Company nor it will affect or prejudice the interest of the public shareholders in any way.

THE FEATURES SET OUT ABOVE BEING ONLY THE SALIENT FEATURES OF THE SCHEME OF ARRANGEMENT THE EQUITY SHAREHOLDERS OF THE APPLICANT COMPANY ARE REQUESTED TO READ THE ENTIRE TEXT OF THE SCHEME OF ARRANGEMENT TO GET THEMSELVES FULLY ACQUAINTED WITH THE PROVISIONS THEREOF.

8 Effect of the Scheme on following parties:

8.1 Pursuant to coming into effect of the Scheme of Arrangement between the Applicant Company and the Resulting Company and its shareholders and as mentioned in **clause 9** of the Scheme, the Resulting Company shall issue the following as consideration to the Promoter and Non-promoter Members of Chordia Food Products Limited in accordance with the Share Entitlement Ratio mentioned in the proposed Scheme which is based on the report recommending Share Entitlement Ratio obtained from Haresh Upendra & Co., Chartered Accountant. Save as aforesaid, the rights and interest of the Promoters and Non-Promoter Shareholders of Companies involved in the Scheme will not be prejudicially affected by the Scheme.:

Resulting Company shall, without any application or deed, issue and allot to the shareholders of the Demerged Company whose names appear in the register of members of the Demerged Company on the Record Date 1(One) Equity Share of the face value of Rs. 10/- each of the Resulting Company for every 1 (One) Equity Share of the face value Rs. 10/- each held by the shareholders in the Demerged Company.

8.2 There is no effect of the Scheme on the KMP and the directors of the Applicant Company and the Resulting Company.

8.3 As on date, the Applicant Company and the Resulting Company have no outstanding public deposits and therefore, the effect of the Scheme on any such public deposit holders or deposit trustees does not arise.

8.4 As on date, the Applicant Company and the Resulting Company have not issued any debentures and therefore, the effect of the Scheme on the debenture holders or debenture trustee of the Applicant Company and the Resulting Company does not arise.

8.5 Upon the Scheme coming into effect and as per clause 8 of the Scheme, all permanent Employees pertaining to the Demerged Undertaking of Demerged Company, in service on the Operative Date shall become employees of the Resulting Company on such date without any break or interruption in service and on terms and conditions as to remuneration not less favorable than those subsisting with reference to the Demerged Company as on the said date.

8.6 The Directors of the Applicant Company and the Resulting Company (as applicable), do not have any other interest in the Scheme otherwise than that as shareholders in general. Further, none of the debenture trustee and relatives of the directors of the Applicant Company and the Resulting Company are concerned or interested, financial or otherwise in the Scheme otherwise than as shareholders in general. Save as aforesaid, none of the directors and debenture trustee of the Applicant Company and the Resulting Company has any material interest in the Scheme.

8.7 The shareholding of the present Directors of the Applicant Company and the Resulting Company, either individually or jointly as a first holder or as a nominee, in the Applicant Company and the Resulting Company are as under:

The Applicant Company/ the Demerged Company:

Name of the Directors	No of Shares held in	
	Applicant Company	Resulting Company
	Equity Shares	Equity Shares
Mr. Hukmichand Chordia	933	10(*)
Mr. Pradeep Chordia	3,73,102	-
Mr. Vijaykumar Kankaliya	200	-
Mr. Bapu Gavhane	3	-
Dr. AjitkumarMandlecha	10	-
Mrs. Zalak Shah	10	-

The Resulting Company:

Name of the Directors	No of Shares held in	
	Applicant Company	Resulting Company
	Equity Shares	Equity Shares
Mr. Rajkumar Chordia	15,44,968	10(*)
Mr. Vishal Chordia	1,78,730	10(*)
Mr. Anand Chordia	1,87,520	10(*)

(*)Shares held as the Nominee of the Demerged Company.

8.8 The shareholding of the present KMP of the Applicant Company, either individually or jointly as a first holder or as a nominee, in the Demerged Company and the Resulting Company are as under:

Name of the KMP	No of Shares held in	
	Demerged Company	Applicant Company
	Equity Shares	Equity Shares
Mr. Bapu Gavhane	3	-
Ms. Tejashree Bhalerao	2	-

9 Board Meeting

9.1 The Board of Directors of the Applicant Company at its board meeting held on 5th February 2020 have approved the Scheme as detailed below

Name of Director	Voted in Favour	Voted against	Did not vote or participated
Mr. Hukmichand Chordia	Yes	-	NA
Mr. Pradeep Chordia	Yes	-	NA
Mr. Vijaykumar Kankaliya	Yes		NA
Mr. Bapu Gavhane	Yes		NA
Dr. Ajitkumar Kankaliya	Yes		NA
Mrs. Zalak Shah	Yes		NA

9.2 The Board of Directors of the Resulting Company at its board meeting held on 5th February 2020 have approved the Scheme as detailed below:

Name of Director	Voted in favour	Voted against	Did not vote or participated
Mr. Rajkumar Chordia	Yes	-	NA
Mr. Vishal Chordia	Yes	-	NA
Mr. Anand Chordia	Yes	-	NA

10 Share Entitlement Ratio Report

The proposed Scheme was placed before the Audit Committee of Chordia Food Products Limited at its Meeting held on 5th February 2020. The Audit Committee recommended the Scheme to the Board of Directors of Chordia Food Products Limited for its favorable consideration after inter alia taking into account the following.

10.1 The Report recommending Share Entitlement Ratio dated 4th February, 2020 issued by Haresh Upendra & Co., Chartered Accountant, for issue of shares pursuant to the Scheme. A Copy of the share entitlement ratio report is enclosed herewith as **Annexure A** and is also available for the inspection at the registered office of the Applicant Company;

10.2 The Fairness Opinion dated 5th February 2020 issued by Navigant Corporate Advisors Limited, a Merchant Banker, on the fairness of the report on recommendation of Share Entitlement Ratio A Copy of the Fairness Opinion report is enclosed herewith as **Annexure B**.

Based on the recommendations of the Audit Committee and on the basis of the evaluations, the Board of Directors of the Applicant Company at their meeting held on 5th February 2020 have come to the conclusion that the Scheme is in the best interest of the Applicant Company and its shareholders. Board of Directors of the Applicant Company.

11 Other Approvals, Sanctions or No Objections and Other Information

- 11.1. The Applicant Company and the Resulting Company have filed Joint Company Scheme applications before Mumbai Bench of the National Company Law Tribunal for the sanction of the Scheme under Sections 230 to 232 read with Section 66 of the Companies Act, 2013.
- 11.2 The Scheme is conditional and subject to necessary sanctions and approvals as set out in the Scheme.
- 11.3 Pursuant to the SEBI Circulars read with Regulation 37 of the SEBI Listing Regulations, the Resulting Company had filed necessary applications before BSE Limited seeking their no-objection to the Scheme. The Demerged Company has received the observation letter from BSE Limited dated 6th November 2020 conveying their no objection to the Scheme ('Observation Letter'). Copy of the aforesaid Observation Letter is enclosed herewith as Annexure C.
- 11.4 The Scheme along with related documents is available on the website of the Company and BSE Limited and was open for complaints/comments. The Company did not receive any complaint/comment and accordingly a Nil Complaint report was filed with BSE Limited which is annexed herewith as Annexure D
- 11.5 Copy of the unaudited financial statement of the Applicant Company and Resulting Company as on 30th September 2020 are enclosed herewith as Annexures E and F respectively.
- 11.6 In compliance with the provisions of Section 232(2)(c) of the Companies Act, 2013, the Board of Directors of the Applicant/Demerged Company in its meeting held on 5th February 2020 and the Resulting Company in its meetings held on 5th February 2020 have respectively adopted a report explaining the effect of the Scheme on each class of shareholders, key managerial personnel, promoter and non-promoter shareholders. Copy of the report adopted by the Board of Directors of the Applicant Company and the Resulting Company are enclosed herewith as Annexures G and H respectively.
- 11.7 Information pertaining to Aveer Foods Limited as per format specified for Abridged Prospectus as provided in Part E of Schedule VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 is enclosed herewith as Annexure I.
- 11.8 The Demerged/Applicant Company and the Resulting Company shall make a Petition under Sections 230 to 232 read with Section 66 and other applicable

provisions of the Companies Act, 2013 to the Hon'ble Tribunal for sanctioning of the Scheme.

- 11.9 No investigation proceedings have been instituted and/or are pending against the Demerged/Applicant Company and the Resulting Company under the provisions of Chapter XIV of the Companies Act, 2013.
- 11.10 No winding up petition is pending against the Demerged/Applicant Company and the Resulting Company.
- 11.11 The proposed Scheme does not in any way violate, override or circumscribe any provision of the Companies Act, 2013 and the rules, regulations, and guidelines prescribed there under.
- 11.12 The Scheme does not involve any debt restructuring and therefore the requirement to disclose details of debt restructuring is not applicable.
- 11.13 A copy of draft order has been filed with the Registrar of Companies on 26th March, 2021 by Applicant/ Demerged Company vide SRN No. T10407278 and by resulting Company having SRN No.T10406916 as per Section 232(2)(b) of the Companies Act, 2013.
- 11.14 The detailed pre scheme and post scheme (expected) capital structure and shareholding pattern of the Demerged/Applicant Company and the Resulting Company are given herein below:

A. Pre & Post Scheme Capital Structure

The proposed scheme is a scheme of arrangement between Demerged/Applicant Company and Resulting Company and their respective shareholders in accordance with the terms of the Scheme.

Upon the Scheme becoming effective, the Resulting Company shall issue and allot equity shares to the shareholders of the Demerged/Applicant Company in the manner as provided in the Scheme.

The pre scheme capital structure of the Demerged/Applicant Company and the Resulting Company, are provided under Clause 4.3 & 5.3 above

Post Scheme Capital Structure of the Demerged/Applicant Company would be as under:

Particulars	Amt. in Rs.
Authorized:	
55,50,000 Equity Shares of Rs. 10 each	5,55,00,000
TOTAL	5,55,00,000
Issued, Subscribed and Paid –Up:	
40,28,252 Equity Shares of Rs. 10 each	4,02,82,520
Share Forefeiture	17,250
TOTAL	4,02,99,770

Post Scheme Capital Structure of the Resulting Company would be as under:

Particulars	Amt. in Rs.
Authorized:	
50,00,000 Equity Shares of Rs. 10 each	5,00,00,000
TOTAL	5,00,00,000
Issued, Subscribed and Paid –Up:	
10,000 Equity Shares of Rs. 10 each	1,00,000
TOTAL	1,00,000

B. Pre and Post Scheme of Arrangement Shareholding Pattern of the Resulting Company

Pre-Scheme of Arrangement

Sr No`	Particulars	No. of Shares	Percentage of shareholding
1	Promoter and Promoter group	10000	100
2	Public	0	0
	Total	10000	100

Post-Scheme of Arrangement

Sr No	Particulars	No. of Shares	Percentage of shareholding
1	Promoter & Promoter group	29,13,885	72. 34
2	Public	11,14,367	27.66
	Total	40,28,252	100

C. Pre and Post-Scheme of Arrangement Shareholding Pattern of the Demerged/Applicant Company

Pre-Scheme of Arrangement

Sr No	Particulars	No. of Shares	Percentage of shareholding
1	Promoter & Promoter group	29,13,885	72.34
2	Public	11,14,367	27.66
	Total	40,28,252	100

Post-Scheme of Arrangement

Sr No	Particulars	No. of Shares	Percentage of shareholding
1	Promoter & Promoter group	29,13,885	72.34
2	Public	11,14,367	27.66
	Total	40,28,252	100

12 The following additional documents will be open for inspection to the equity shareholders of the Demerged/Applicant Company at the registered office of the Company between 10:00 a.m. to 12 noon on all working days(except Saturdays, Sundays and public holidays) upto 1 (one) day prior to the date of the meeting by the equity shareholders at the registered office of the Demerged/Applicant Company and the same are also available on the Website of the Company at www.chordiafoods.com:

- 12.1 Copy of the Order of the National Company Law Tribunal, Bench, at Mumbai dated 15th March 2021 passed in C.A.(CAA)/1177/MB-IV/2020 directing the Applicant Company to convene the meeting of its equity shareholders.
- 12.2 Copy of the audited financial statement of the Applicant Company and the Resulting Company for the financial year ended 31st March 2020.
- 12.3 Copy of the Memorandum of Association and Articles of Association of the Applicant Company and the Resulting Company.
- 12.4 Copy of the share entitlement ratio report dated 4th February 2020 prepared by Haresh Upendra & co., Chartered Accountant recommending the share exchange ratio to the Board of Directors of the Applicant Company and the Resulting

Company.

12.5 Copy of the fairness report issued by the Navigant Corporate Advisors Limited dated 5th February 2020.

12.6 Copy of the Scheme of Arrangement.

12.7 Copy of the resolution passed by the Board of Directors of the Demerged/Applicant Company and the Resulting Company approving the Scheme.

12.8 Copy of the reports adopted by the Board of Directors of the Demerged/Applicant Company and the Resulting Company as required under Section 232(2)(c) of the Companies Act, 2013.

12.9 Copy of the certificate issued by the statutory auditors of the Demerged/Applicant Company and Resulting Company stating that the accounting treatment proposed in the Scheme is in conformity with the accounting standards prescribed under section 133 of the Companies Act, 2013.

13 A copy of the scheme, explanatory statement may be obtained free of charge on any working day (except Saturdays, Sundays and Public Holidays) from the registered office of the Demerged/Applicant Company at Plot No 399/400 S No. 398 Tal-Shirwal Village – Sangvi, Dist-Satara, 412801 or may be downloaded from Website of the Company.

14 This statement may be treated as an explanatory statement under Section 230 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and Section 102 and other applicable provisions of the Companies Act, 2013.

Sd/-
Hukmichand Sukhlal Chordia
DIN-00389587
Chairperson appointed for the Meeting

Date: 26th March 2021
Place: Pune
Registered Office: Plot No 399/400
S No. 398 Tal-Shirwal Village – Sangvi,
Dist-Satara, 412801
CIN -L15995PN1982PLC026173

**SCHEME OF ARRANGEMENT
BETWEEN
CHORDIA FOOD PRODUCTS LIMITED
AND
AVEER FOODS LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS**

PRELIMINARY

This Scheme of Arrangement between Chordia Food Products Limited (the “Demerged Company” or “CFPL”) and Aveer Foods Limited (the “Resulting Company” or “AFL”) and their respective shareholders is presented under Sections 230 to 232 read with Section 66 of the Companies Act, 2013, Companies (Compromises, Arrangements and Amalgamations) Rules, 2016; for demerger of Food Division (Demerged Undertaking) of the Demerged Company into the Resulting Company, as a going concern.

This Scheme is divided into following parts:

PART	PARTICULARS
I.	Background, Rationale, Definitions and Share Capital
II.	Demerger of Demerged Undertaking of Chordia Food Products Limited into Aveer Foods Limited.
III.	General Terms and Conditions



PART-I
BACKGROUND, RATIONALE, DEFINITIONS AND SHARE
CAPITAL

1. BACKGROUND

Chordia Food Products Limited was incorporated on 20th January 1982 under the Companies Act, 1956, in the State of Maharashtra. The Corporate Identity Number (CIN) of Chordia Food Products Limited is L15995PN1982PLC026173. The registered office of Chordia Food Products Limited is situated at Plot No 399/400 S. No. 398 Tal. Shirwal, Village Sangvi, Satara, Maharashtra - 412801. Chordia Food Products Limited is a manufacturer of processed fruits and vegetables in Western India for more than three decades and has been successfully selling its products under the brand name of Pravin, Navin, Toofan and Suhana-Pravin. Currently, the company is having two business divisions; Food Division & Food Infra Division.

Aveer Foods Limited was incorporated on 11th April 2019 under the Companies Act, 2013. The Corporate Identity Number (CIN) of Aveer Foods Limited is U15549PN2019PLC183457. The registered office of Aveer Foods Limited is situated at Plot 55/A/5 6, Hadapsar Industrial Estate, Pune 411 013. Aveer Foods Limited is incorporated to carry out the business of manufacturing of food products and dealing in Agricultural, Horticultural and Farm produce. On 14.08.2019, AFL became wholly owned subsidiary of CFPL.



2. RATIONALE OF THE SCHEME OF ARRANGEMENT

It is proposed to demerge the Demerged Undertaking (Food Division) of Chordia Food Products Limited into Aveer Foods Limited. The Demerged Undertaking and Remaining Business has been defined in Para No. 3.10 and 3.11 respectively given below. Both the businesses have matured & developed and are currently at different stages of maturity with differing capital and operating requirements including risk, competition necessitating different management approaches and focus. This arrangement would *inter alia* have the following benefits:

- 2.1** Segregation of business of the food division of the Demerged Company into Resulting Company in a manner provided in this scheme resulting into enhanced strategic flexibility to build a viable platform solely focusing on each of the business.
- 2.2** Allowing management of each company to pursue independent growth strategies and unlock significant value for shareholders
- 2.3** Allow in creating the ability to achieve valuation based on respective risk-return profile and cash flow, attracting right investors and thus enhancing flexibility in accessing capital;
- 2.4** Provide scope of separate companies for independent collaboration and expansion including expanding potential Clients/Customer market for each business
- 2.5** Aveer Foods Limited will acquire the Food Division on going concern basis from Chordia Food Products Limited. Chordia Food Products Limited will focus on



other commercial activities/businesses mainly Food Infra Business and all other businesses including contract manufacturing. The demerger will ensure focused management attention and resources and skill set allocation.

2.6 The nature of Technology, Risk, Competition and capital intensity involved in each of the Undertakings of the Demerged Company is distinct from each other. Consequently, each Undertaking of the Demerged Company is capable of addressing independent business opportunities, deploying different technologies and attracting different set of Investors, Strategic Partners, Lenders and Other Stakeholders. Hence as a part of overall business reorganization plan, it is considered desirable and expedient to reorganize and reconstruct the Demerged Company by Demerging the Demerged Undertaking to the Resulting Company in the manner and on the terms and conditions contained in the Scheme.

2.7 Upon the scheme becoming operative, the investment in shares held in AFL as appearing in the Books of Accounts of CFPL shall stand cancelled and extinguished and result in Capital Reduction in the Resulting Company. This would enable the shareholders of the Demerged Company to hold shares in the Resulting Company in the same proportion in which they currently hold shares in the Demerged Company.



2.8 The Purpose of the Scheme is to give effect to the bona fide Rational of the Scheme which includes but not limited to long term vision of Group with respect to independent management and growth of both the business (i.e. Food division and Food Infra business), value-addition to various stake holders (including government authorities) and contribution to the development of social-economic parameters based on commercial substance of the Scheme

3. DEFINITIONS

In this Scheme, unless inconsistent with the subject or context, the following expression shall have the following meaning: -

3.1 **Chordia Food Products Limited or “CFPL” or “the Demerged Company”** means Chordia Food Products Limited a company incorporated under the Companies Act, 1956, and having its registered office at Plot No 399/400 S. No. 398 Tal. Shirwal, Village Sangvi, Satara, Maharashtra - 412801.

3.2 **Aveer Foods Limited or “AFL” or “the Resulting Company”** means Aveer Foods Limited, a company incorporated under the Companies Act, 2013 and having its registered office at Plot 55/A/5 6, Hadapsar Industrial Estate, Pune - 411013.

3.3 **“Act”** means the Companies Act, 2013 including any rules, regulations, orders and notifications made there under or any statutory modification thereto or re-enactment thereof for the time being in force.



- 3.4 "Board of Directors" or "Board"** in relation to the Demerged Company and Resulting Company as the case may be, means the Board of Directors of such companies and includes any committee of the Directors, constituted by the Board of Directors of the Respective Companies.
- 3.5 "BSE Ltd." Or "Exchange"** means BSE Limited.
- 3.6 "Companies"** means the Demerged Company and the Resulting Company collectively
- 3.7 "Tribunal" or "NCLT"** shall mean the National Company Law Tribunal, Mumbai Bench (hereinafter referred to as **"the Tribunal" or NCLT**) constituted by the Central Government by a Notification in the Official Gazette and the proceedings initiated under Section 230 to 232 of the Companies Act, 2013.
- 3.8 "Appointed Date"** shall mean 1st April 2020 or such other date as may be fixed by the Tribunal.
- 3.9 "Operative Date"** means the date on which certified copies of the Tribunal order sanctioning this Scheme is filed with the Registrar of Companies, Maharashtra, Pune.
- 3.10 "Demerged Undertaking " or "Food Division"** of Chordia Food Products Limited shall mean the business of manufacturing of food products including manufacturing facilities, processes, recipes, technical know-how, for manufacturing of pickles, ketchups, papads and other food products manufactured & marketed by the Company under brand name 'Pravin', 'Navin', 'Toofan', 'Suhana-Pravin' (excluding the



immovable property used therefor) including all current customers, data for all softwares and include (without limitation):

3.10.1 Assets and properties excluding land and building, tangible and intangible, corporeal or incorporeal, intellectual property whether in possession or reversion, present or contingent, fixed assets, debtors, current assets, loans and advances, powers, licenses, tenancy rights, registrations, contracts, engagements, arrangements, Dealership Agreements, rights, titles, interests, benefits and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, and all other interests belonging to or in the ownership, power or possession or in the control of or vested in or granted in favour of or being related to the Demerged Undertaking (hereinafter referred to as “the said **Assets**”).

3.10.2 All debts, liabilities, duties and obligations of the Demerged Undertaking (hereinafter referred to “the said **Liabilities**”).

3.10.3 Without prejudice to the generality of Sub-clause 3.10.1 and 3.10.2 above, the Demerged Undertaking shall include all assets including claims, powers, consents, registrations, contracts, enactments, arrangements, rights, titles, interest, benefits, advantages, lease-hold rights including



rights to use present factory building as may be mutually agreed between the Board of Directors of Demerged and Resulting company and systems of any kind whatsoever, and benefits of all agreements including royalty agreements for use of trade-marks and other interests including rights and benefits under various schemes of different taxation laws as may belong to including refund, rights and powers of every kind, nature and description of whatsoever probabilities, liberties, easements, advantages, and approval of, whatsoever nature and wheresoever situated, belonging to or in ownership, power or possession or control or entitlement and all other assets relating to the Demerged Undertaking as identified and approved by the Board of Directors of the Respective Companies .

3.10.4 Employees, if any, engaged by Chordia Food Products Limited with respect to the Demerged Undertaking; and

3.10.5 For the purpose of this Scheme, it is clarified that liabilities pertaining to the Demerged Undertaking shall include:

- i.** Liabilities which directly and specifically arise out of the activities or operations of the Demerged Undertaking.



- ii. Liabilities both present and contingent;
- iii. Specific loans and borrowings raised, incurred and utilized solely for the activities or operations of the Demerged Undertaking;
- iv. Liabilities other than those referred to in (i) or (ii) or (iii) above, i.e. the amounts of general or multi-purpose borrowings of Chordia Food Products Limited allocated to the Demerged Undertaking in proportion as identified by the management on the Appointed Date, however, the same without detriment to the security for such borrowings to the lenders as it existed before the Scheme coming into operation.

Explanation:

Any question that may arise as to whether a specific asset or liability pertains or does not pertain to the Demerged Undertaking or whether it arises out of the activities or operations of the Demerged Undertaking or not will be decided by mutual agreement or consent between the Board of Directors of the Demerged Company and the Resulting Company.

3.11 “Remaining Business” or “Food Infra Business” of
Chordia Food Products Limited means all assets and liabilities including Wind Mill and the land pertaining to it, all land & buildings & other immovable properties owned by the Demerged Company in the State of



Maharashtra and Andhra Pradesh pertaining to the factories, offices, cold storages, warehouses, tiny units, agri tech center, and the Infra business run thereon and all other businesses including contract manufacturing but other than business, assets and liabilities of the Demerged Undertaking.

3.12 “Scheme of Arrangement” or “this Scheme” or “the Scheme” means this Scheme of Arrangement between the Demerged Company and the Resulting Company and their respective shareholders in its present form with any amendment/modifications approved or imposed or directed by the shareholders or creditors and/or by the Tribunal and accepted by the board of directors of the Demerged Company and the Resulting Company.

3.13 “Record Date” or “Specified Date” means, the date to be fixed by the Board of Directors of Resulting Company for the purposes of issue and allotment of Equity Shares pursuant to the Scheme in consultation with the Demerged Company.

3.14 ‘SEBI’ means The Securities and Exchange Board of India.

3.15 “Takeover Code” means Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended till date.

3.16 ‘PHC Promoter Group’ means Mr. Pradeep Hukmichand Chordia, Mrs. Meena Pradeep Chordia, Mr. Pravin Hukmichand Chordia, Mrs. Anuradha Pradeep Chordia, Mrs. Kamalbai Hukmichand Chordia, Mrs.



Namita Kushal Pittie, Mrs. Neelam Sameer Goyal, Mr. Hukmichand Sukhlal Chordia and Chordia Technologies (India) LLP which are part of the Promoter Group as per the definition in the Takeover Code.

3.17 'RHC Promoter Group' means Mr. Rajkumar Hukmichand Chordia, Mrs. Madhubala Rajkumar Chordia, Mr. Vishal Rajkumar Chordia, Mrs. Shweta Vishal Chordia and Mr. Anand Rajkumar Chordia which are part of the Promoter Group as per the definition in the Takeover Code.'

Any references in the Scheme to "upon the Scheme becoming operative" or "operativeness of the Scheme" shall mean the Operative Date.

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act and other applicable laws, rules, regulations, bye-laws, as the case may be, including any statutory modification or re-enactment thereof from time to time.

4. SHARE CAPITAL

4.1 The Authorised, Issued, Subscribed and Paid-up Share Capital of CFPL as on 31st March 2019 is as under:

Particulars	Amount in Rs.
Authorized:	
55,50,000 Equity Shares of Rs. 10/- each	5,55,00,000
Total	5,55,00,000



Issued:	
42,56,452 Equity Shares of Rs. 10/- each	4,25,64,520
Subscribed and Fully Paid-Up:	
40,28,252 Equity Shares of Rs.10/- each	4,02,82,520
Add: Share forfeiture	17,250
Total	4,02,99,770

After 31st March 2019, there is no change in share capital of CFPL till date. The Equity Shares of CFPL are listed on BSE Limited ("BSE").

4.2 The Authorised, Issued, Subscribed and Paid-up Share Capital of AFL as on the date of its incorporation i.e. 11th April 2019 is as under:

Particulars	Amount in Rs.
Authorized Share Capital	
50,00,000 Equity Shares of Rs. 10/- each	5,00,00,000
TOTAL	5,00,00,000
Issued, Subscribed and Paid up Share Capital	
10,000 Equity Shares of Rs. 10/- each	1,00,000
TOTAL	1,00,000

There is no change in the Share Capital of the AFL after its incorporation till date. As on date the entire share capital of the AFL is held by CFPL and its nominees and hence AFL is wholly owned subsidiary of CFPL.



PART-II

DEMERGER OF DEMERGED UNDERTAKING OF CHORDIA FOOD PRODUCTS LIMITED INTO AVEER FOODS LIMITED

5. TRANSFER AND VESTING OF THE UNDERTAKING

The Demerged Undertaking of the Demerged Company shall be transferred to and vested in or be deemed to be transferred to and vested in the Resulting Company in the following manner:

5.1 With effect from the Appointed Date, the whole of the Demerged Undertaking comprising of all movable assets and properties and all other assets and liabilities of whatsoever nature and wheresoever situated, shall, under the provisions of Section 230 to Section 232 and all other applicable provisions, if any, of the Act, without any further act or deed (save as provided in clauses 5.2 and 5.3 below) be transferred to and vested in and/or be deemed to be transferred to and vested in the Resulting Company as a going concern so as to become as the assets and liabilities of the Resulting Company from the Appointed Date and to vest in the Resulting Company all the rights, title, interest or obligations of the Undertaking of Demerged Company therein.

5.2 All the movable assets including cash in hand, if any, of the Demerged Undertaking of Demerged Company, capable of passing by manual delivery or by



endorsement and delivery, shall be so delivered or endorsed and delivered, as the case may be, to the Resulting Company in pursuance of the provisions of this Scheme, Section 230 to 232 of the Companies Act, 2013, and other applicable laws, without requiring any deed or instrument of conveyance for the same and upon such transfer the same shall become the property, estate, assets, rights, title interest and authorities of the Resulting Company.

5.3 In respect of movables other than those specified in sub-clause 5.2 above, including sundry debtors, outstanding loans and advances, investment in securities, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, Semi-Government, local and other authorities and bodies, and other persons, the following modus operandi for intimating to third parties shall to the extent possible be followed:

5.3.1 The Resulting Company shall give notice in such form as it may deem fit and proper, to each person, debtor or depositor as the case may be, that pursuant to the Tribunal having sanctioned the Scheme of the Demerged Company and the Resulting Company, the said debt, loan advance or deposit be paid or made good or held on account of the Resulting Company as the person entitled thereto to and that appropriate entry should be passed in its books to record the aforesaid change;



5.3.2 Demerged Company shall also give notice in such form as they may deem fit and proper to each person, debtor or depositor that pursuant to the Tribunal having sanctioned the Scheme of the Demerged Company and the Resulting Company , the said debt, loan, advance or deposit be paid or made good or held on account of the Resulting Company and that the right of the Demerged Company to recover or realize the same stands extinguished.

5.4 With effect from the Appointed Date, all, debts, liabilities, contingent liabilities, duties and obligations of every kind, nature and description of the Demerged Undertaking of the Demerged Company shall also under the provisions of Section 230 to 232 of the Act read with rules made thereunder, without any further act or deed, be transferred to or be deemed to be transferred to Resulting Company so as to become as from the Appointed Date the debts, liabilities, contingent liabilities, duties and obligations of Resulting Company and it shall not be necessary to obtain the consent of any third party or another person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions of this Sub-clause.

5.5 All assets of the Demerged Undertaking of Demerged Company deemed to be transferred to and vested in



and/or be deemed to be transferred to and vested in the Resulting Company as a going concern so as to become the assets of the Resulting Company as from the Appointed Date, upon Scheme becoming operative the Demerged Company will follow the necessary procedure to transfer them in the name of Resulting Company. The registrations including all the Food Licenses in the name of the Demerged Company with respect to the Demerged Undertaking shall be deemed to be transferred in the name of the Resulting Company.

- 5.6** In case of registrations in the name of the Demerged Company pertaining to the Demerged Undertaking, other than the registrations mentioned above, the Resulting Company may make a fresh application to the appropriate authorities to procure the same, by complying with the requisite laws or regulations.
- 5.7** It is clarified that the Scheme shall not in any manner affect the rights and interest of the creditors of the Demerged Company or be deemed to be prejudicial to their interests.
- 5.8** For the purpose of effectively transferring the amounts lying in the Bank accounts and shares and securities, if any lying in demat accounts of the Demerged Company pertaining to its Demerged Undertaking and for recovering the amounts due, the Resulting Company shall be entitled to continue with their bank accounts after the operative Date.



5.9 The existing encumbrances over the assets and properties of the Resulting Company or any part thereof which relate to the liabilities and obligations of the Resulting Company prior to the Operative Date shall continue to relate only to such assets and properties and shall not extend or attach to any of the assets and properties of the Demerged Company transferred to and vested in the Resulting Company by virtue of this Scheme.

5.10 The Arrangement of the Demerged Company with the Resulting Company, pursuant to and in accordance with this Scheme, shall take place with effect from the Appointed Date and shall be in accordance with Section 2(19AA) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the Income Tax Act, 1961, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income Tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(19AA) of the Income Tax Act, 1961. Such modification will however not affect the other parts of the Scheme.

6. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS.

Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements including leasehold agreement



related to factory land and building and other instruments entered into by the Demerged Company, if any, of whatsoever nature and relating only to the Demerged Undertaking subsisting or being in force on the Operative Date, shall be in full force and effect against or in favour of the Resulting Company, as the case may be, and may be enforced by or against the Resulting Company as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party thereto from inception. The Resulting Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any arrangements, confirmations or novations, in order to give formal effect to the provisions of this Scheme. The Resulting Company shall be deemed to be authorised to execute any deeds, writings or confirmations on behalf of the Demerged Company and to implement or carry out all formalities required on the part of the Demerged Company to give effect to the provisions of Part II of the Scheme.

7. LEGAL PROCEEDINGS

7.1. All legal proceedings of whatsoever nature by or against the Demerged Company pending and/or arising at the Appointed Date relating only to the Demerged Undertaking of the Demerged Company, as and from the Operative Date, shall be continued and enforced by or against Resulting Company in the manner and to the same extent as would or might have been continued and enforced by or against the Demerged Company.



- 7.2. After the Appointed Date, if any proceedings are taken against the Demerged Company or its successor in respect of the matters referred to in clause 7.1 above, it shall defend the same at the cost of Resulting Company and the Resulting Company shall reimburse and indemnify the Demerged Company or its successor against all liabilities and obligations incurred by the Demerged Company or its successor in respect thereof. The Resulting Company undertakes to have all legal or other proceedings initiated by or against the Demerged Company referred to in clause 7.1 above, transferred into its name and to have the same continued, prosecuted and enforced by or against the Resulting Company to the exclusion of the Demerged Company or its successor.
- 7.3. In respect of the legal proceedings of whatsoever nature by or against the Demerged Company pending and/or arising at the Appointed Date relating only to the Demerged Undertaking of the Demerged Company, if the Demerged Company or the Resulting Company receive any compensation by the Order of the Court or otherwise which cannot be divided amongst the Demerged Company and the Resulting Company, the same will be so divided between the Demerged Company and the Resulting Company as mutually decided by the Board of Directors of the Demerged Company and the Resulting Company.



8. EMPLOYEES:

8.1 All permanent Employees pertaining to the Demerged Undertaking of Demerged Company, in service on the Operative Date, shall become employees of the Resulting Company on such date without any break or interruption in service and on terms and conditions as to remuneration not less favorable than those subsisting with reference to the Demerged Company as on the said date. The services of such employees shall not be treated as having been broken or interrupted for the purpose of provident fund or gratuity or superannuation or statutory purposes or otherwise and for all purposes will be reckoned from the date of appointment with the Demerged Company. All the rights, duties, powers and obligations of the Demerged Company in relation to the provident fund or gratuity or superannuation or statutory funds shall become those of the Resulting Company.

8.2 It is expressly provided that, upon the Scheme becoming operative, the provident fund, gratuity fund, contribution towards employees state insurance, superannuation fund, retirement fund or any other special fund or trusts created or existing for the benefit of the Employees of Demerged Company (collectively referred to as the “**Funds**”) shall be transferred to similar Funds created/ to be created by the Resulting Company and shall be held for their benefit pursuant to this Scheme or, at the Resulting Company’s sole



discretion, maintained as separate Funds by the Resulting Company. In the event that the Resulting Company does not have its own Funds in respect of any of the above, the Resulting Company may, subject to necessary approvals and permissions, continue to contribute to the relevant Funds of the Demerged Company, until such time that the Resulting Company creates its own Funds, at which time the funds and the investments and contributions pertaining to the Employees of Demerged company shall be transferred to the Funds created by the Resulting Company.

9. ISSUE OF SHARES:

9.1 Upon the Scheme becoming operative and in consideration of the transfer and vesting of the Demerged Undertaking of the Demerged Company in the Resulting Company in terms of this Scheme, the Resulting Company shall, without any application or deed, issue and allot to the shareholders of the Demerged Company whose names appear in the register of members of the Demerged Company on the Record Date 1(One) Equity Share of the face value of Rs. 10/- each of the Resulting Company for every 1 (One) Equity Share of the face value Rs. 10/- each held by the shareholders in the Demerged Company.

9.2 The shares issued by Resulting Company to the Members of Demerged Company pursuant to Clause 9.1 above and holding shares in their Demat Account shall be issued in Dematerialized form. For the



members of Demerged Company holding Shares in Physical Form the shares of Resulting Company shall be allotted as directed by BSE Limited or as directed by any such authority. As this would be fresh issue and allotment of Equity Shares of Resulting Company, the Shareholders of Demerged Company are not required to surrender their Shares to the Company and new shares will be credited to their Demat Accounts or issued in physical mode if so directed, without any act or deed on their part.

9.3 Upon the scheme becoming operative, the shares issued by the Resulting Company shall pursuant to circular issued by SEBI on March 10,2017 bearing no. CFD/DIL3/CIR/2017/21 (as amended from time to time) and in accordance with the compliance with the requisite formalities under applicable laws, be listed and/or admitted to trading on the relevant to stock exchange(s) where the existing equity shares of the Demerged Company are listed and/or admitted to trading.

9.4 The Equity Shares of Resulting Company issued and allotted by the Resulting Company in terms of this Scheme shall be subject to the provisions of the Memorandum and Articles of Association of the Resulting Company and shall rank pari passu in all respects amongst them, with all rights thereto and shall be entitled to full dividend, if any, which may be



declared by the Resulting Company after the Operative Date of the Scheme.

- 9.5** The Resulting Company shall, if necessary and to the extent required, increase its Authorized Share Capital to facilitate issue and allotment of Shares under this Scheme.
- 9.6** The new Equity Shares in the Resulting Company allotted pursuant to the Scheme shall remain frozen in the Depository System till listing and trading permission is given by BSE Ltd. Till the listing of equity shares of the Resulting Company to be issued pursuant to the Scheme, there shall be no change in the pre arrangement capital structure and shareholding pattern or control in the Resulting Company, which may affect the status of approval of the BSE to the Scheme. The Resulting Company will not issue/reissue any shares not covered under the Scheme.
- 9.7** In the event of there being any pending Share Transfers, whether lodged or outstanding of any Member of Demerged Company, the Board of Directors of Demerged Company shall be empowered in appropriate case, prior to or even subsequent to record date to effectuate such transfer in the Demerged Company as if such changes in the Registered Holder were operative as on the record date, in order to remove any difficulties arising to the Transferor or Transferee of the Shares in the Resulting Company .



9.8 The Resulting Company shall, if and to the extent required to, apply for and obtain any approvals from the concerned regulatory authorities including the Reserve Bank of India, for the issue and allotment of equity shares by the Resulting Company to the non-resident equity shareholders of the Demerged Company. The Resulting Company shall comply with the relevant and applicable rules and regulations including the provisions of Foreign Exchange

Management Act, 1999, if any, to enable the Resulting Company to issue and allot equity shares to the non-resident equity shareholders of the Demerged Company.

9.9 The issue and allotment of Equity Shares of the Resulting Company to the shareholders of the Demerged Company as provided in the Scheme as an integral part thereof, shall be deemed to be made in compliance with the procedure laid down under the provisions of this Act.

9.10 In order to achieve objectives of focused management for the Demerged Company and Resulting Company which is an integral objective of the scheme, within 12 (Twelve) months from the listing of equity shares of Resulting Company, there shall be realignment of Shareholding between RHC Promoter group & PHC Promoter group such that: (a) PHC Promoter group



will transfer in one or more tranches, on stock exchange or otherwise, such number of equity shares so that their total shareholding in Resulting Company post-transfer will not exceed 5% of the total paid-up share capital of the Resulting Company post-demerger to RHC Promoter group; and (b) the RHC Promoter group shall transfer in one or more tranches, on stock exchange or otherwise, all equity shares of Demerged Company to PHC Promoter group. It is clarified that transfer of equity shares of both the Demerged Company and the Resulting Company and the consequent change in management and control of respective companies shall be an integral part of the Scheme. Such transfer and change in control being exempt under Regulation 10 of the Takeover Code shall not trigger the open offer requirements in the Demerged Company and/or Resulting Company under Regulation 3 or Regulation 4 of the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011. For the purpose of availing exemption under Regulation 10 of the Takeover Code, the promoters of Demerged Company shall be deemed to have been the promoters of the Resulting Company for the same duration they have been promoters of the Demerged Company and this recognition shall be available on the listing of equity shares of the Resulting Company, statutory exemption for the transfer of shares of the Resulting Company amongst the RHC & PHC



Promoter group shall be deemed to be available to RHC & PHC Promoter group under the Takeover Code.

9.11 The proposed transfer will neither change the total shareholding/ voting rights of the promoter groups of the Demerged Company nor it will affect or prejudice the interest of the public shareholders in any way.

9.12 Post transfer of shares between PHC & RHC Promoter group, as mentioned in clause no. 9.10 above, RHC Promoter group shall cease to be the part of promoters/ promoter group of the Demerged Company and PHC Promoter group shall be ceased to be the part of promoters/promoter group of the Resulting Company.

9.13 The Demerged Company and the Resulting Company shall be managed and controlled by their respective shareholders i.e. the Resulting Company shall be under the exclusive management and control of the RHC Promoter group and the Demerged Company shall be under the exclusive management and control of the PHC Promoter group. The Resulting Company and the Demerged Company shall reconstitute their respective Board of Directors.

9.14 Personal guarantee if any given by PHC Promoter Group for the loan facilities availed from Banks and other institutions pertaining to the Demerged Undertaking and utilized for the purposes of the Demerged Undertaking shall be released on the



Effective Date. If required by the banks, RHC Promoter group shall provide personal guarantee.

9.15 Similarly, personal guarantee if any given by RHC Promoter Group for the loan facilities availed from Banks and other institutions pertaining to Remaining Undertaking including facilities utilized and outstanding in its books as on the Effective Date shall be released on the Effective Date. If required by the banks, PHC Promoter group shall provide personal guarantee for the loan facilities taken and/or utilized by Remaining Undertaking.

10. CANCELLATION OF EQUITY SHARES OF RESULTING COMPANY.

10.1 Upon the Scheme becoming operative and upon the issue of shares by the Resulting Company in accordance with Clause 9 above, the existing 10,000 (Ten Thousand Only) Equity Shares of Rs. 10/- each of the Resulting Company held by the Demerged Company and its nominee, as on the Operative Date shall, without any application or deed or further act, deed, matter or thing, stand cancelled and extinguished without any payment.

10.2 The cancellation of the existing Equity Shares of the Resulting Company as mentioned in Clause 10.1 above shall be effected as an integral part of this Scheme in pursuance of Sections 66 of the Act and the order of the Tribunal sanctioning the Scheme shall be deemed to be also the Order under Section 66 of the Act for the



purpose of confirming the cancellation and reduction. The cancellation and reduction would not involve either a diminution of liability in respect of unpaid share capital or payment of paid-up share capital and hence the provisions of Section 66 of the Act will not be applicable. Further, the Resulting Company shall not be required to add the words “and reduced” as a suffix to its name consequent upon such reduction.

11. ACCOUNTING TREATMENT

Notwithstanding anything to the contrary herein, upon this Scheme becoming effective, the Resulting Company shall give effect to the accounting treatment in the books of accounts in accordance with the accounting standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 or any other relevant or related requirement under the Act, as applicable on the Appointed Date.

The Demerged Company and Resulting Company both being entities under common control, the accounting would be done at book values for all the assets and liabilities acquired by the Resulting Company of the Demerged Undertaking by applying principles set out in Appendix C of IND AS 103 “Business Combinations”.

11.1 Accounting Treatment in the books of Chordia Food Products Limited

11.1.1 Chordia Food Products Limited shall account for the transfer and vesting of the Demerging Undertaking in its books of accounts using the



pooling of interest method in accordance with Appendix C to Ind AS 103 – Business Combinations of entities under common control.

- 11.1.2** By virtue of the reduction in equity share capital of the Resulting Company under clause 10, the book value of the equity shares in the Resulting Company appearing as investment in the books of the Demerged Company shall stand cancelled.
- 11.1.3** The value of all assets and liabilities pertaining to the Demerged Undertaking which cease to be assets and liabilities of the Demerged Company shall be reduced by the Demerged Company at their carrying values; and
- 11.1.4** The difference i.e. the excess or shortfall, as the case may be, of the value of transferred assets over the transferred liabilities pertaining to the Demerged Undertaking to the extent of nominal value of shares issued by the Resulting Company shall be adjusted against the Capital Reserve and balance, if any will be adjusted against Securities Premium Account.
- 11.1.5** The difference of the value of transferred assets over the transferred liabilities pertaining to the Demerged Undertaking which is over and above the nominal value of shares issued by the Resulting Company shall be adjusted from the General Reserve and balance, if any will be



adjusted against Profit & Loss Accounts of
Chordia Food Products Limited

**11.2 Accounting Treatment in the Books of Aveer
Foods Limited**

- 11.2.1** Aveer Foods Limited shall account for the transfer and vesting of the Demerging Undertaking in its books of accounts using the pooling of interest method in accordance with Appendix C to Ind AS 103 – Business Combinations of entities under common control.
- 11.2.2** Aveer Foods Limited shall, record the assets and liabilities of the Demerged Undertaking vested in it pursuant to this Scheme at the respective carrying amounts appearing in the books of Chordia Food Products Limited.
- 11.2.3** The shares issued by Aveer Foods Limited shall be recorded at nominal value.
- 11.2.4** Upon coming into effect of the Scheme, the shareholding of the Demerged Company in the Resulting Company pre-demerger shall be cancelled and the amount of such share capital, as stands cancelled, be credited to Capital Reserve.
- 11.2.5** The difference i.e. the excess of the value of the assets over the transferred liabilities pertaining to the Demerged Undertaking after taking into account the nominal value of the shares issued



by the Resulting Company shall be credited to Capital Reserve Account.

12 OPERATIVE DATE OF THE SCHEME

The Scheme set out herein in its present form or with any modification(s) as approved or imposed or directed by the Hon'ble Tribunal shall be effective from the Appointed Date but shall become operative from the Operative Date.

13 CONDUCT OF ACTIVITIES BY THE DEMERGED COMPANY TILL OPERATIVE DATE:

With effect from the appointed date of the Scheme and up to and including the Operative Date:

- 13.1** The Demerged Company shall carry on or deemed to have carried on all their respective activities pertaining to the Demerged Undertaking and shall be deemed to have held or stood possessed of and shall hold and stand possessed of all the said Assets for and on account of and in trust for the Resulting Company. The Demerged Company hereby undertakes to hold the Assets, Properties and Liabilities with utmost prudence until the operative date. All the profits or income accruing or arising to the Demerged Undertaking of the Demerged Company or expenditure or losses arising or incurred by the Demerged Undertaking of the Demerged Company shall for all purposes be treated and be deemed to be and accrued as the profits and income or expenditure or losses of the Resulting Company, as the case may be.



- 13.2** The Demerged Company shall carry on its respective activities pertaining to the Demerged Undertaking with reasonable diligence, business prudence and shall not alienate, charge, mortgage, encumber or otherwise deal with the assets of the Demerged Undertaking or any part thereof except in the ordinary course or pursuant to any pre-existing obligation undertaken by the Demerged Company prior to the Appointed Date or except with prior written consent of the Resulting Company.
- 13.3** The Undertaking of Demerged Company shall not, without prior written consent of the Resulting Company, undertake any new activities.
- 13.4** The Demerged Company shall not, without prior written consent of the Resulting Company, take any major policy decisions in respect of management and activity of the Company and shall not change its present capital structure.
- 13.5** The Resulting Company shall be entitled, pending the sanction of the Scheme, to apply to the Central/State Government, and all other agencies, departments and authorities concerned as are necessary under any law or rules, for such consents, approvals and sanctions, which the Resulting Company may require pursuant to this Scheme.

14 SAVING OF CONCLUDED TRANSACTIONS & PROCEEDINGS



The transfer of and vesting of the Demerged Undertaking, as per this Scheme and the continuance of proceedings by or against the Resulting Company shall not affect any transaction or proceedings already concluded by the Demerged Company in respect of the Demerged Undertaking, on or after the Appointed Date till the Operative Date, to the end and intent that the Resulting Company accepts and adopts all acts, deeds and things done and executed by the Demerged Company in respect thereto as if done and executed by the Demerged Company on behalf of the Resulting Company.

15 TAXES AND DUTIES

15.1 All tax liabilities / refunds / credits / claims relating thereto under the Income-tax Act, Customs Act, Central Excise Act, Goods and services Tax, State sales tax laws, Central Sales Tax Act, Service tax or other applicable laws / regulations dealing with taxes / duties / levies [hereinafter in this Clause referred to as "**Tax Laws**"] pertaining to the Demerged Undertaking of the Demerged Company to the extent not provided for or covered by tax provision in the financial statements made as on the date immediately preceding the Appointed Date shall be treated as liabilities / refunds / credits / claims of the Resulting Company and shall be transferred to the Resulting Company. Any surplus in the provision for taxation/ duties/ levies account including advance tax and TDS, credit for minimum alternate tax/ service tax, Goods and Service Tax or



such other credits as on the date immediately preceding the Appointed Date will also be transferred to and become the advance tax/other tax of the Resulting Company.

15.2 The refund under the Tax Laws due to the Demerged Company pertaining to its Demerged Undertaking consequent to the assessments made on the Demerged Company whether before or after the appointed date and for which whether credit is taken or not in the financial statements as on the date immediately preceding the Appointed Date shall also belong to and be received by the Resulting Company.

15.3 Without prejudice to the generality of the above, all benefits, credits, refunds, exemptions, incentives or concessions under Tax Laws as may be applicable, with respect to the Demerged Undertaking, to which the Demerged Company is entitled to in terms of the applicable Tax Laws of the Union and State Governments in India, shall be available to and vest in the Resulting Company.

15.4 The Resulting Company shall be entitled to file / revise its income tax returns, Goods and Service Tax Return, tax deducted at source certificates, tax deducted at source returns and other statutory returns and filings, if required under the Tax Laws, and shall have the right to claim or adjust refunds, advance tax credits, credit for minimum alternate



tax / tax deducted at source / foreign taxes withheld/ paid, input tax credits etc. of the Demerged Company if any, as may be required consequent to implementation of this Scheme.

15.5 All expenses paid by the Demerged Company under Section 43B, Section 40(a) of the Income-tax Act, 1961 etc., in relation to the Demerged Undertaking, shall be claimed as a deduction by the Resulting Company and the vesting of Demerged Undertaking shall be considered as succession of business by the Resulting Company.

15.6 It is clarified that demerger in itself is a specific code and the taxability is envisaged specifically under the Income Tax Act, 1961. Subject to the compliance with the prescribed conditions under Section 2(19AA) of the Income Tax Act, 1961, the demerger shall be exempt as provided under Section 47 of the Act. Further, the provisions of Section 2(22) are not applicable in the hands of the Resulting Company on the assets vested from the Demerged Company to the Resulting Company.

16 REMAINING BUSINESS

The Remaining Business and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the Demerged Company which shall continue to exist as a legal entity.

16.1 All employees of Remaining Business of the Demerged Company, who are in service on the date



immediately preceding the Operative Date shall continue to remain employees of the Demerged Company without any break or interruption in service and on terms and conditions no less favorable than those on which they are engaged by the Demerged Company as on the Operative Date.

16.2 All legal or other proceedings by or against the Demerged Company under any statute, whether pending on the Appointed Date or which may be instituted in future and relating to the Remaining Business, shall be continued and enforced by or against the Demerged Company.

16.3 All profits accruing to the Demerged Company or all losses incurred by it relating to the Remaining Business with effect from the Appointed Date and thereafter, shall be treated as the profits or losses, as the case may be, of the Demerged Company.

17 INCOME TAX COMPLIANCE

17.1 The Scheme is drawn in compliance with Section 2(19AA) and section 2(41A) of the Income Tax Act, 1961 pertaining to demerger and always should be read as in compliance of the said Section.

17.2 If any of the terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the IT Act shall prevail and the



Scheme shall stand modified to the extent determined necessary to comply with Section 2(19AA) and section 2(41A) of the IT Act. Such modifications will however not affect the other parts of the Scheme.

PART – III

GENERAL TERMS AND CONDITIONS

18 APPLICATION TO THE NATIONAL COMPANY LAW TRIBUNAL

The Demerged Company and the Resulting Company shall make applications and/or petitions under Sections 230 to 232 read with other applicable provisions of the Act to the Hon'ble Tribunal, Mumbai Bench or such other appropriate authority in respect of the Demerged Company and Resulting Company for sanction of this Scheme.

19 MODIFICATIONS, AMENDMENTS TO THE SCHEME

19.1 The Demerged Company and the Resulting Company by their respective Directors or authorized person so nominated in that behalf, may assent to any modification or amendment to this Scheme which the Hon'ble Tribunal and/ or any other authority may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/ or carrying out the Scheme in the best interest of all stakeholders. All amendment/modification pursuant to this clause



shall be subject to the approval of Hon'ble Tribunal. The Demerged Company and the Resulting Company by their respective Directors or authorized person so nominated in that behalf be and are hereby authorized to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions whether by reason of any orders of the Tribunal or of any directive or orders of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/ or any matters concerning or connected therewith. All amendment/modification pursuant to this clause shall be subject to the approval of Tribunal.

19.2 Any error, mistake, omission, commission which is apparent and/or absurd in the Scheme should be read in a manner which is appropriate to the intent and purpose of the Scheme.

20 SCHEME CONDITIONAL UPON APPROVALS / SANCTIONS

20.1 The Scheme has been approved by the respective Board of Directors of the Demerged Company and Resulting Company and approving the filing of requisite Application/Petition before the Hon'ble Tribunal/ NCLT for seeking necessary directions and sanctions of the Scheme.



- 20.2** The scheme is subject to the approval by the requisite majorities of the equity shareholders and creditors of the Demerged Company and the Resulting Company as may be directed by the Hon'ble Tribunal under Section 230 to 232 of the Act.
- 20.3** The sanction of the Hon'ble Tribunal at Mumbai being obtained under Sections 230 to 232 read with Section 66 and other relevant provisions of the Act, as required on behalf of the Demerged Company and the Resulting Company.
- 20.4** The requisite consents, approvals or permissions if any of the Government Authority or any other Statutory Authorities including Stock Exchanges, SEBI, RBI which by law may be necessary for the implementation of this Scheme.
- 20.5** In terms of SEBI Circular dated 10th March 2017 bearing No. CFD/DIL3/CIR/2017/21 approval of shareholders of CFPL shall be obtained through e-voting after disclosure of all material facts in the explanatory statement in relation to such resolution and such resolution shall be acted upon only if the votes cast by public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it.
- 20.6** The Certified Copies or Authenticated Copies of such orders sanctioning the Scheme being filed with the Registrar of Companies, Pune.



20.7 All other sanctions and approvals as may be required under any law with regard to this Scheme are obtained.

21 ALTERATION OF ARTICLES OF ASSOCIATION OF AVEER FOODS LIMITED

If required by the BSE Limited. or any other regulatory authority, the Articles of Association of Aveer Foods Limited shall be altered to that extent. The alteration of Articles of Association shall form part of this Scheme of Arrangement and will not require any separate approval.

22 EFFECT OF NON-RECEIPT OF APPROVAL/ SANCTION:

In the event of any of the said sanctions and approvals referred to in the preceding Clause 20 not being obtained and / or the Scheme not being sanctioned by the Hon'ble Tribunal or such other competent authority and / or the order or orders not being passed as aforesaid, or for any other reason, the Scheme cannot be implemented, the Scheme shall become null and void and the Resulting Company shall bear the entire cost, charges and expenses in connection with the Scheme unless otherwise mutually agreed.

23 VALIDITY OF EXISTING RESOLUTION ETC.

Upon the coming into operation of this Scheme, the resolutions, if any of the Demerged Company in relation to the Demerged Undertaking which are valid and subsisting on the Operative date shall continue to be valid and subsisting and be considered as resolutions of the Resulting Company and if any such resolutions have monetary limits approved under the



provisions of the Act, or any other applicable statutory provisions, then said limits shall be added to the limits, if any, under like resolutions passed by the Resulting Company and shall constitute the aggregate of said limits in the Resulting Company.

24 USE OF TRADEMARKS AND BRAND NAMES

24.1 The Demerged Company shall not be entitled to use the Trademarks/Brands with or without any prefix/suffix or any variant thereof, used by the Resulting Company.

24.2 The Resulting Company shall not be entitled to use the Trademarks/ Brands with or without any prefix / suffix or any variant thereof, used by the Demerged Company.

25 EXPENSES CONNECTED WITH THE SCHEME

All cost including Stamp Duty, charges and expenses in relation to or in connection with this Scheme and of carrying out and completing the terms and provisions of this Scheme and/or incidental to the completion of Arrangement of the Demerged Company and the Resulting Company in pursuance of the Scheme shall be borne and paid by the Resulting Company.



HARESH UPENDRA & CO.**CHARTERED ACCOUNTANTS**

**HEAD OFFICE : FLAT NO. 1, PLOT NO. 27, MATRUCHAYA BUILDING, MITRAMANDAL COLONY,
PARVATI, PUNE - 411 009. TEL. NO. +91(20) 2442 0209 FAX NO. +91(20) 2442 5826**

Email : haresh.mergersindia@gmail.com

4th February 2020

To,

**The Audit Committee,
Chordia Food Products Limited,
Plot No. 399 & 400, S. No. 398, Village
Sangavi, Shriwal, Tal- Khandala, Dist.-
Satara-412801.**

**The Board of Directors,
Aveer Foods Limited,
Plot 55/A/5 6, Hadapsar Industrial Estate,
Pune- 411013.**

Subject: Recommendation of Fair Share Entitlement Ratio for the Proposed Demerger of "Food Division" of Chordia Food Products Limited into Aveer Foods Limited.

Dear Sirs/Madam,

We refer to our engagement letter dated 20th December 2019 and subsequent discussion with the management of Chordia Food Products Limited (hereinafter referred "CFPL" or "Demerged Company" or "Client") wherein CFPL has requested Haresh Upendra & Co. (hereinafter referred "HU" or "We" or "Us") a recommendation of Share Exchange Ratio/ Share Entitlement Ratio for proposed demerger of "Food Division" of CFPL into Aveer Foods Limited (hereinafter referred "AFL" or "Resulting Company") pursuant to a Scheme of Arrangement under section 230 to 232 and other applicable clauses of the companies Act, 2013 ("Scheme" or "Scheme of Arrangement"). In the following paragraphs, we have summarized our valuation analysis together with the description of the methodologies used and limitation on our scope of work.

CFPL & AFL shall hereinafter be collectively referred as "Companies".

The valuation exercise and Report thereon is executed into the following sections –

Sr. No.	Particulars	Page No.
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2.	Brief Background	2
3.	Scope and Limitations	3
4.	Sources of Information	5
5.	Basis & Recommendation of Fair Share Entitlement Ratio	5

1. PURPOSE OF THE REPORT

We have been informed by the management that CFPL is contemplating a restructuring pursuant to a scheme to demerge its "Food Division" from the appointed date 1st April 2020



into AFL. The proposed restructuring is to be effective through the Scheme pursuant to the provision of Section 230 to 232 and other applicable provisions of the Companies Act, 2013. Under the Scheme, the shareholders of CFPL would be issued equity shares of AFL as a consideration for the proposed demerger. The equity shares held by CFPL and its nominees in AFL shall stand cancelled following the issuance of shares of Resulting Company to the shareholders of the Demerged Company.

In pursuant to the above, Haresh Upendra & Co. has been requested by CFPL to submit valuation report as necessitated under Companies Act, 2013 and recommendation of Share Exchange Ratio/ Share Entitlement Ratio in connection with the proposed demerger to be placed before the Board of Directors of respective companies involved in the scheme.

This Report has been issued only for the purpose of facilitating the demerger of Food Division of CFPL into AFL and should not be used for any other purpose.

2. BRIEF BACKGROUND

Chordia Food Products Limited

CFPL was incorporated on 20th January 1982 under the Companies Act, 1956, in the State of Maharashtra. The Corporate Identity Number (CIN) of Chordia Food Products Limited is L15995PN1982PLC026173. The registered office of Chordia Food Products Limited is situated at Plot No 399/400 S. No. 398 Tal. Shirwal, Village Sangvi, Satara, Maharashtra - 412801. The equity shares of the demerged company have been listed on BSE Limited (BSE).

Chordia Food Products Limited is a Manufacturer of processed fruits and vegetables in Western India for more than three decades and has been successfully selling its products under the brand name of Pravin, Navin, Toofan and Suhana-Pravin. Currently, the Company is having two business divisions; Food & Food Infra Business Division.

Share Capital of the company as on 30th September 2019 is as follow: -

Particulars:	Amount in Rs.
Authorized Share Capital:	
55,50,000 Equity Shares of Rs.10/- each	5,55,00,000
TOTAL	
Issued Share Capital:	
42,56,452 Equity Shares of Rs.10/- each fully paid up	4,25,64,520
TOTAL	4,25,64,520
Subscribed and Paid-up Share Capital:	
40,28,252 Equity Shares of Rs.10/- each fully paid up	4,02,82,520
Add: Share Forfeiture	17,250
TOTAL	4,02,99,770

There has been no change in the share capital of CFPL after 30th September 2019.

The aforesaid share capital is held as follows:

Shareholders	Number of Shares	Percentage Holding
Promoters	29,13,885	72.34
Public	11,14,387	27.66
Total	40,28,252	100



The Management has represented that there are no outstanding stock options/ warrants/security/convertible instruments, etc. issued or granted by CFPL as at the date of issue of this Report, which would impact the number of equity shares of CFPL. Further, the Management has confirmed that there will be no change in the shareholding pattern of CFPL on account of allotment / issue of any shares till the demerger becomes effective.

Aveer Foods Limited

AFL was incorporated on 11th April 2019 under the Companies Act, 2013. The Corporate Identity Number (CIN) of Aveer Foods Limited is U15549PN2019PLC183457. The registered office of Aveer Foods Limited is situated at Plot 55/A/5 6, Hadapsar Industrial Estate, 1 Pune - 411013. Aveer Foods Limited is incorporated to carry out the business of manufacturing of food products and dealing in Agricultural, Horticultural and Farm produce. On 14.08.2019, AFL became a wholly owned subsidiary of CFPL.

The share capital of the company as on 30th September 2019 is as follow: -

Particulars	Amount in Rs
Authorized Share Capital:	
50,00,000 Equity Shares of Rs.10/- each	5,00,00,000
TOTAL	5.00 00.000
Issued, Subscribed and Paid-up Share Capital:	
10,000 Equity Shares of Rs.10/- each fully paid up	1,00,000
TOTAL	1,00,000

There has been no change in the share capital of AFL after 31st September 2019.

The aforesaid share capital is held as follows:

Shareholders	Number of Shares	Percentage Holding
CFPL (Including shares held by Nominees)	10,000	100
Total	10,000	100

The Management has represented that there are no outstanding stock options/ warrants/security/convertible instruments, etc. issued or granted by AFL as at the date of issue of this Report, which would impact the number of equity shares of AFL. Further, the Management has confirmed that there will be no change in the shareholding pattern of AFL on account of allotment / issue of any shares till the demerger becomes effective.

3. SCOPE & LIMITATIONS

Our report is subject to the scope and limitations detailed hereinafter:

- 3.1 The scope of our services is to conduct a relative (and not absolute) valuation of equity shares of the Companies and report a fair share exchange ratio for the Proposed Demerger in accordance with ICAI Valuation Standards 2018 issued by Institute of Chartered Accountants of India. This Report sets out the findings of our exercise.
- 3.2 Recommend a Share Entitlement Ratio for an issue of equity share of AFL to the shareholders of CFPL.
- 3.3 This Valuation Report, its contents and the results herein are specific to the purpose mentioned in this report.

- 3.4 In accordance with the terms of our engagement, we have assumed and relied upon, without independent verification, (i) the accuracy of information (both written & verbal) made available to us by the Companies and (ii) the accuracy of the information that was publicly available, and formed substantial basis for this Valuation Report. We have not carried out a due diligence or audit of the Companies, nor have we independently investigated or otherwise verified the data provided by the Companies. In rendering this Valuation Report, we have not provided legal, regulatory, tax, accounting or actuarial advice and accordingly we do not assume any responsibility or liability in respect thereof. We do not express any opinion or offer any form of assurance that the explanations, financial information or other information as prepared and provided by the Companies is accurate and complete. Also, with respect to explanations and information sought from the Companies, we have been given to understand by the Companies that they have not omitted any relevant and material factors and that, in case of any doubt, they have checked the relevance or materiality of any specific information with respect to the present exercise with us. Accordingly, we do not express any opinion or offer any form of assurance regarding its accuracy and completeness.
- 3.5 Our scope of work was not designed to verify the accuracy or reliability of the information provided to us and nothing in this report should be taken to imply that we have for the purpose of this assignment conducted procedures, audits or investigations in an attempt to verify or confirm any of the information supplied to us.
- 3.6 We do not hold any responsibility to update this Report for events occurring after the date of this Report.
- 3.7 The information contained herein, and our report is confidential and it is intended only for the sole use and information of the companies and for use in the above-mentioned proceeds.
- 3.8 We are not responsible either for any person/party or for any decision of such person or party based on this Report.
- 3.9 Valuation of companies and businesses is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgement. There is, therefore, no indisputable single Share Entitlement Ratio. While we have provided our view on the Share Entitlement Ratio based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion. The companies acknowledge and agree that the companies have the final responsibility for determination of the Share Entitlement Ratio for the proposed restructuring and factors other than our report will need to be taken into account in determining such ratios; these will include the companies own assessment of the proposed restructuring and may include the input of other professional advisors.
- 3.10 This Report is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed in the report. As such, the Report is to be read in totality, and not in parts, in conjunctions with relevant documents referred therein.
- 3.11 This Report does not look into the business/ commercial reasons behind the Proposed Demerger nor the likely benefits arising out of the same. Similarly, it does not address the relative merits of the Proposed Demerger as compared with any other alternative business transaction, or other alternatives, or whether such alternatives could be

achieved or are available. This Report is restricted to recommendation of share entitlement ratio only. Its suitability and applicability of any other use has not been checked by us.

- 3.12 No investigation of CFPL's claim to title of assets has been made for the purpose of this report and the CFPL's claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature.
- 3.13 We owe responsibility to the Demerged Company only which has appointed us under the terms of our agreement and nobody else. We do not accept any liability to any third party in relation to the issuance of this Report.
- 3.14 The fee for this engagement is not contingent upon the results of this report.

4. SOURCES OF INFORMATION

We have called for and obtained such data, information, etc. as were necessary for the purpose of our assignment, which have been, as far as possible, made available to us by the Management. For the purpose of this assignment, we have relied on the following information provided by the Management of the respective companies:

- Audited financial statements of CFPL for FY 2019, 2018 & 2017
- Audited financial statements of AFL as of 10th June 2019
- Unaudited Financial of CFPL as on 30th September 2019
- Latest Shareholding Pattern of CFPL and AFL
- Draft Scheme of Arrangement
- Proposed Capital Structure of AFL
- Explanation & Management Representation (Orally & written) provided by the management of the companies from time to time
- Such other analysis, reviews and enquiries, as we considered relevant

The Companies have been provided with an opportunity to review the report as part of our standard practice to make sure that factual inaccuracies/omissions are avoided in our final Report.

5. BASIS & RECOMENDATION of SHARE ENTITLEMENT RATIO

We understand that, as part of the Scheme, Food Division of CFPL is proposed to be demerged into AFL. AFL is 100% subsidiary of CFPL and taking over the Food Division of CFPL, by way of the demerger. Once the Scheme is implemented and in consideration of the demerger of the Food Division and transfer and vesting thereof with AFL, all the shareholders of CFPL would also become the shareholders of AFL, and their shareholding in AFL would mirror to their shareholding in CFPL. The effect of demerger is that each shareholder of CFPL would be allotted shares of AFL in the same proportion as in CFPL and thus would become shareholders of AFL also. All the equity shares held by CFPL and its nominee(s) shall stand cancelled, extinguished without any further act, instrument or deed.

Based on the above provision in the Scheme, the percentage holding of a shareholder post-demerger in CFPL would remain unchanged and they will receive same number of shares in AFL.

In the current instance, the determination of Fair Share Entitlement Ratio would not have any economic impact on the ultimate value of the shareholders of CFPL and the proposed restructuring will be value-neutral to the shareholders of CFPL.

Accordingly, the Board of Directors of CFPL and AFL have proposed a share exchange ratio for the scheme having regard to the following factors:

- Desirable capital structure
- Serviceability of Capital
- Regulatory requirements

Hence, a detailed valuation to determine the swap ratio is not required, accordingly, fair valuation of equity shares has not been carried out.

Given the above context, AFL shall, without any further act or deed and without any further payment, issue and allot the equity shares at par on a proportionate basis to each member of CFPL whose name is recorded in the register of members of CFPL as holding equity shares as may be recognized by the Board of Directors of CFPL in the following proportion.

"For every 1 (One) equity share of face value of INR 10 each held in CFPL, as on record date, every equity shareholder of CFPL shall without any application, act or deed be entitled to receive 1 (One) equity share of face value of INR 10 each of AFL, credited as fully paid up."

It should be noted that we have not examined any other matter including economic rationale for the Proposed Transaction per se or accounting, legal or tax matters involved in the Proposed Transaction.

Yours faithfully,
Haresh Upendra & Co
Chartered Accountant

Haresh B Shah

Proprietor

Membership No – 032208

IBBI/RV/06/2018/10343

Place: Pune

UDIN: **20032208AAAAAB5017**



Haresh Upendra & Co Chartered Accountants

6

HARESH UPENDRA & CO.

CHARTERED ACCOUNTANTS

**HEAD OFFICE : FLAT NO. 1, PLOT NO. 27, MATRUCHAYA BUILDING, MITRAMANDAL COLONY,
PARVATI, PUNE - 411 009. TEL. NO. +91(20) 2442 0209 FAX NO. +91(20) 2442 5826
Email : haresh.mergersindia@gmail.com**

12th March 2020

To,

The Board of Directors,

Chordia Food Products Limited,

Plot No. 399 & 400, S. No. 398,

Village Sangavi, Shriwal, Tal- Khandala,

Dist.- Satara-412801.

Dear Sir/Madam,

Re: Addendum to our report dated 4th February 2020 on Recommendation of Fair Share Entitlement Ratio for the Proposed Demerger of "Food Division" of Chordia Food Products Limited into Aveer Foods Limited.

We refer our report titled "Recommendation of Fair Share Entitlement Ratio for the Proposed Demerger of "Food Division" of Chordia Food Products Limited into Aveer Foods Limited dated 4th February 2020 ("the Report")" and BSE emails dated 5th March 2020 received by Chordia Food Products Limited (CFPL).

Based on the remark provided by BSE, we are producing the Computation of Fair Share Exchange Ratio table below with a reason for its irrelevancy in our case.

We believe that the share entitlement ration mentioned in the Report is fair considering that all the shareholders of CFPL are and will, upon Proposed Demerger, be the ultimate beneficial owners of Aveer Foods Limited ("AFL") in the same ratio (inter se) as they hold shares in CFPL. Therefor, no relative valuation of Food Division Undertaking and of AFL is required to be undertaken for the Proposed Demerger. Accordingly, Valuation Approaches as indicated in the format (as shown below) as prescribed by circular number LIST/COMP/02/2017-18 of BSE have not been undertaken as they are not relevant in the instant case.



Valuation Approach	Food Division of CFPL		AFL	
	Value Per Share	Weight	Value Per Share	Weight
Asset Approach	NA	NA	NA	NA
Income Approach	NA	NA	NA	NA
Market Approach	NA	NA	NA	NA
Relative Value per Equity shares	NA		NA	

NA: Not Adopted/Not Applicable

No amendments other than those stated above have been made to the Report including Share Entitlement Ratio previously shared with you.

Yours faithfully,

Haresh Upendra & Co

Chartered Accountants


Haresh B Shah



Proprietor

Membership No – 032208

IBBI/RV/06/2018/10343

Place: Pune

UDIN: 20032208AAAAAG5085

FAIRNESS OPINION REPORT ON VALUATION FOR THE PROPOSED SCHEME OF ARRANGEMENT

amongst

CHORDIA FOOD PRODUCTS LIMITED

and

AVEER FOODS LIMITED

By



Navigant

Navigant Corporate Advisors Limited

423, A Wing, Bonanza, Sahar Plaza Complex,
J.B. Nagar, Andheri Kurla Road,
Andheri East,
Mumbai-400 059

Email Id- navigant@navigantcorp.com

Web: www.navigantcorp.com

5TH FEBRUARY, 2020

SEBI Registered Category I Merchant Banker

SEBI Registration No. INM000012243



Notice to Reader

Navigant Corporate Advisors Limited ("Navigant" / "NCAL" or "Authors of the Report") is a SEBI registered 'Category I' Merchant banker in India and was engaged by Board of Directors of Chordia Food Products Limited (herein after referred as "CFPL") to prepare an Independent Fairness Opinion Report ("Report") with respect to providing an independent opinion and assessment as to fairness of Valuation Report and Swap ratio determined by M/s Haresh Upendra & Co., Chartered Accountants ("HUC") an Independent Valuer for the purpose of intended proposed Demerger of "Food Division" of Chordia Food Products Limited ("CFPL") into Aveer Foods Limited (AFL).

CFPL and AFL are collectively referred as "Companies".

The Fairness Opinion Report ("Report") has been prepared on the basis of the review of information provided to Navigant and specifically the Report on Swap ratio (hereinafter referred as Valuation Report) prepared by HUC as an independent valuer. The report does not give any valuation or suggest any swap ratio, However this report is limited to provide its fairness opinion on the Valuation Report.

The information contained in this Report is selective and is subject to updates, expansions, revisions and amendment. It does not purport to contain all the information recipients may require. No obligation is accepted to provide recipients with access to any additional information or to correct any inaccuracies which might become apparent.

This Report is based on data and explanations provided by the management and certain other data culled out from various websites believed to be reliable. Navigant has not independently verified any of the information contained herein. Neither the Company nor Navigant, nor affiliated bodies corporate, nor the directors, shareholders, managers, employees or agents of any of them, makes any representation or warranty, express or implied, as to the accuracy, reasonableness or completeness of the information contained in the Report. All such parties and entities expressly disclaim any and all liability for, or based on or relating to any such information contained in, or errors in or omissions from, this Report or based on or relating to the Recipients' use of this Report.



Executive Summary

Purpose: Express an Independent Fairness Opinion and assessment with respect to fairness of Valuation Report and Swap ratio determined by HUC for the proposed Demerger of Food Division of CFPL into AFL.

Background of the Companies

CHORDIA FOOD PRODUCTS LIMITED

Chordia Food Products Limited was incorporated on 20th January 1982 under the Companies Act, 1956, in the State of Maharashtra. The Corporate Identity Number (CIN) of Chordia Food Products Limited is L15995PN1982PLC026173. The registered office of Chordia Food Products Limited is situated at Plot No 399/400 S. No. 398 Tal. Shirwal, Village Sangvi, Satara, Maharashtra - 412801. Chordia Food Products Limited is a Manufacturer of processed fruits and vegetables in Western India and has been successfully selling its products under the brand name of Pravin, Navin, Toofan and Suhana-Pravin for more than three decades. Currently, the company is having two business divisions; Food Division & Food Infra Division.

At present, Equity Shares of the Company are listed on the BSE Limited ("BSE").

AVEER FOODS LIMITED:

Aveer Foods Limited was incorporated on 11th April 2019 under the Companies Act, 2013. The Corporate Identity Number (CIN) of Aveer Foods Limited is U15549PN2019PLC183457. The registered office of Aveer Foods Limited is situated at Plot 55/A/5 6, Hadapsar Industrial Estate, 1 Pune - 411013. Aveer Foods Limited is incorporated to carry out the business of manufacturing of food products and dealing in Agricultural, Horticultural and Farm produce. On 14.08.2019, AFL became wholly-owned subsidiary of CFPL.

Transaction Overview and Rational

It is proposed to demerge the Demerged Undertaking (Food Division) of Chordia Food Products Limited into Aveer Foods Limited by the Scheme, as a result of which the following benefits shall, inter-alia, accrue to the shareholders and stakeholders of CFPL.

The following rational are envisaged:



- Segregation of business of the Demerged Company into Resulting Company in a manner provided in this scheme resulting into enhanced strategic flexibility to build a viable platform solely focusing on each of the business.
- Allowing management of each company to pursue independent growth strategies and unlock significant value for shareholders.
- Allow in creating the ability to achieve valuation based on respective risk-return profile and cash flow, attracting right investors and thus enhancing flexibility in accessing capital.
- Provide scope of separate companies for independent collaboration and expansion including expanding potential Clients/Customer market for each business.
- Aveer Foods Limited will acquire the Food Division on going concern basis from Chordia Food Products Limited. Chordia Food Products Limited will focus on other commercial activities/businesses mainly Food Infra Business and all other businesses including contract manufacturing. The demerger will ensure focused management attention and resources and skill set allocation.

Information relied upon:

We have prepared the fairness opinion report on the basis of the information provided to us and inter alia the following:

- Share Exchange ratio report by M/s Haresh Upendra & Co., Chartered Accountants ("HUC") dated 4th February 2020.;
- Other information and explanations as provided by the management.

Further, we had discussions on such matters which we believe are necessary or appropriate for the purpose of issuing the valuation report.

We assume no responsibility for the legal, tax, accounting or structuring matters including, but not limited to, legal or title concerns. Title to all subject business assets is assumed to be good and marketable and we would urge the company to carry out the independent assessment of the same prior to entering into any transaction, after giving due weightage to the results of such assessment.

We have been informed that all information relevant for the purpose of issuing the Fairness Opinion report has been disclosed to us and we are not aware of any material information that has been omitted or that remains undisclosed.

Valuation Summary:

Upon the scheme becoming effective, the beneficial economic interest of the shareholders of CFPL in the paid up equity shares of AVL would be same. All the shareholders of CFPL would also become the shareholders of AFL, and their shareholding in AFL would mirror to their shareholding in CFPL. The effect of demerger is that each shareholder of CFPL would be allotted shares of AFL in the



same proportion as in CFPL and thus would become shareholders of AFL also. All the equity shares held by CFPL and its nominee(s) shall stand cancelled, extinguished without any further act, instrument or deed. The percentage holding of a shareholder in CFPL (post-demerger) would remain unchanged in AFL.

In the current instance, the determination of Fair Share Entitlement Ratio would not have any economic impact on the ultimate value of the shareholders of CFPL and the proposed restructuring will be value-neutral to the shareholders of CFPL.

Accordingly, the Board of Directors of CFPL and AFL have proposed a share exchange ratio for the scheme having regard to the following factors:

- Desirable capital structure; and
- Serviceability of Capital.

So a detailed valuation to determine the swap ratio is not required, accordingly, fair valuation of equity shares has not been carried out.

CONCLUSION ON FAIR VALUE AND SHARE EXCHANGE RATIO RECOMMENDED BY HUC:

Given the above context, AFL shall, without any further act or deed and without any further payment, issue and allot the equity shares at par on a proportionate basis to each member of CFPL whose name is recorded in the register of members of CFPL as holding equity shares as may be recognized by the Board of Directors of CFPL in the following proportion.

“for every 1 (one) equity share of face value of INR 10 each held in CFPL, as on record date, every equity shareholder of CFPL shall without any application, act or deed be entitled to receive 1 (one) equity share of face value of INR 10 each of AFL, credited as fully paid up.”

Based on above and considering that all the shareholders of CFPL are and will upon demerger, become shareholders of AFL holding economic interest in the same proportion as they hold in CFPL, the proposed share entitlement ratio is fair to the shareholders of CFPL in relation to the demerger.

It is to be noted that share exchange ratio was arrived at assuming that AFL and CFPL will continue in operation in unhindered manner for the future as at present on a pre demerger standalone basis (going concern).



Our Fairness Opinion:

On the basis of and subject to the foregoing, to the best of our knowledge and belief, it is our view that , as on the date thereof, the share exchange ratio as recommended by the valuer in relation to the proposed demerger of Food Division of CFPL into AFL is fair, from a financial point of view.

This being of our best of professional understanding, we hereby sign the Fairness Opinion report on valuation.

For Navigant Corporate Advisors Ltd.


Sarthak V. Jain
Managing Director

Date: 5th February, 2020
Place: Mumbai

**“Revised”****DCS/AMAL/SD/R37/1835/2020-21****“E-Letter”****November 6, 2020**

The Company Secretary,

CHORDIA FOOD PRODUCTS LTD.

399 / 400, Plot No. 398, Shirwal, Sangavi Village,
Taluka Khandala, Satara, Maharashtra, 412801

Dear Sir,

Sub: Observation letter regarding the Draft Scheme of Arrangement of Chordia Food Products Ltd with Aveer Foods Ltd and their respective shareholders.

We are in receipt of Draft Scheme of Arrangement of Chordia Food Products Ltd filed as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its Email dated November 6, 2020 has inter alia given the following comment(s) on the draft scheme of arrangement:

- **“Company shall ensure that applicable information pertaining to unlisted companies –
a. Aveer Foods Ltd is included in abridged prospectus as per specified format.”**
- **“Company shall ensure that suitable disclosure about the latest financials of the companies involved in the Scheme being not more than 6 months old is done before filing the same with the Hon’ble National Company Law Tribunal.”**
- **“Company shall ensure that additional information, if any, submitted by the Company, after filing the scheme with the stock exchange, from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges.”**
- **“Company shall duly comply with various provisions of the Circular.”**
- **“Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT.”**
- **“It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations.”**

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT. Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose Information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

However, the listing of equity shares of Aveer Foods Ltd shall be subject to SEBI granting relaxation under Rule 19(2)(b) of the Securities Contract (Regulation) Rules, 1957 and compliance with the requirements of SEBI circular. No. CFD/DIL3/CIR/2017/21 dated March 10, 2017. Further, Aveer Foods Ltd shall comply with SEBI Act, Rules, Regulations, directions of the SEBI and any other statutory authority and Rules, Byelaws, and Regulations of the Exchange.

The Company shall fulfill the Exchange's criteria for listing the securities of such company and also comply with other applicable statutory requirements. However, the listing of shares of Aveer Foods Ltd is at the discretion of the Exchange. In addition to the above, the listing of Aveer Foods Ltd pursuant to the Scheme of Amalgamation shall be subject to SEBI approval and the Company satisfying the following conditions:

1. To submit the Information Memorandum containing all the information about Aveer Foods Ltd in line with the disclosure requirements applicable for public issues with BSE, for making the same available to the public through the website of the Exchange. Further, the company is also advised to make the same available to the public through its website.
2. To publish an advertisement in the newspapers containing all the information of Aveer Foods Ltd in line with the details required as per the aforesaid SEBI circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017. The advertisement should draw a specific reference to the aforesaid Information Memorandum available on the website of the company as well as BSE.
3. To disclose all the material information about Aveer Foods Ltd on a continuous basis so as to make the same public, in addition to the requirements if any, specified in Listing Agreement for disclosures about the subsidiaries.
4. The following provisions shall be incorporated in the scheme:
 - i. The shares allotted pursuant to the Scheme shall remain frozen in the depository system till listing/trading permission is given by the designated stock exchange."
 - ii. "There shall be no change in the shareholding pattern of Aveer Foods Ltd between the record date and the listing which may affect the status of this approval."

Further you are also advised to bring the contents of this letter to the notice of your shareholders, all relevant authorities as deemed fit, and also in your application for approval of the scheme of Arrangement.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the **validity of this Observation Letter shall be Six Months from the date of this Letter**, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the Listing Centre only and no physical filings would be accepted.** You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,

Sd/-

Nitinkumar Pujari
Senior Manager



Part A

Sr. No.	Particulars	Number
1.	Number of complaints/comments received directly	-
2.	Number of complaints forwarded by Stock Exchange	-
3.	Total Number of complaints/comments received (1+2)	-
4.	Number of complaints resolved	-
5.	Number of complaints pending	-

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.			
2.		NIL	
3.			

For Chordia Food Products Limited




Babu Gavhane
Executive Director & CFO.

Date: 27th March, 2020

This report is based on last 3 Months Data.

CHORDIA FOOD PRODUCTS LTD.

Office : Above S. K. Agencies, 38/39, Tarkar Compound, Hadapsar Industrial Estate, Hadapsar, Pune - 411 013.

Tel.: 020 - 26871500 Email: fcd@chordiafoods.com Web.: www.chordiafoods.com

Registered Office : 399 / 400, Sangavi (Shirwal), Tal. Khandala, Dist. Satara - 412 801.

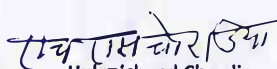
Tel.: 9922990065 CIN : L15995PN1982PLC026173

Chordia Food Products Ltd
Standalone Balance Sheet as at 30th September 2020

(Amount in Rs.)

Particulars	Note	As at 30th September, 2020
A. Assets		
(1) Non-current assets		
(a) Property, plant & equipment	3	176,378,235
(b) Capital work-in-progress		5,049,694
(c) Goodwill		
(d) Other intangible Assets		
(e) Intangible assets under development		
(f) Investment in subsidiaries	4	100,000
(g) Financial Assets		
(i) Investments	4	263,905
(ii) Loans		
(iii) Other Financial Assets		
(h) Other Non Current Assets		
(i) Deferred tax assets (net)		
Subtotal - Non-current Assets		181,791,834
(2) Current assets		
(a) Inventories	5	150,258,155
(b) Financial Assets		
(i) Trade receivables	6	69,537,508
(ii) Cash and cash equivalents	7	2,600,769
(iii) Bank balances other than (ii) above	7	12,407,487
(iv) Loans		
(v) Derivatives		
(vi) Other Financial Assets		
(c) Other Assets	8	66,913,871
Sub total - Current Assets		301,717,790
TOTAL ASSETS		483,509,624
B. EQUITY AND LIABILITIES		
1. Equity		
(a) Share Capital	9	40,299,770
(b) Other Equity	10	323,016,483
(2) Share allotment pending against merger		
Sub Total -Equity		363,316,253
(2) Non-Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	11	26,288,680
(ii) Other Financial Liabilities		
(b) Long Term Provisions		
(c) Deferred tax liability (net)		
Sub - Total Non current Liabilities		26,288,680
(3) Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	11	7,559,622
(ii) Trade Payables		
-Micro Enterprises & small enterprises		
-Other than Micro Enterprises & small enterprises	12	24,587,528
(iii) Derivatives		
(iv) Other current Financial Liabilities		
(b) Short Term Provisions	13	24,816,219
(c) Other Liabilities	14	36,941,321
Sub Total Current Liabilities		93,904,690
TOTAL EQUITY AND LIABILITIES		483,509,624

For & on behalf of Board of Directors


Hukmichand Chordia
 Chairman
 (DIN: 00389587)


Vradeep Chordia
 Managing Director
 (DIN: 00389681)



Place: Pune
 Date: 11/11/2020

Standalone Statement of Profit & Loss for the period ended 30th September,2020

(Amount in Rs.)

Sr.No	Particulars	Note	Current Period
PART I	INCOME FROM OPERATIONS		
a	Revenue from Operations	15	391,706,776
b	Other Income	16	315,047
	Total Income		392,021,823
II	EXPENSES		
a.	Cost of Materials Consumed	17	310,472,548
b.	Purchase of Stock in trade		-
c.	Changes in inventories of finished goods, work-in-progress and stock-in-trade	18	(46,832,501)
d.	Employees Benefit Expenses	19	28,117,598
e.	Finance Costs	20	3,537,958
f.	Depreciation & Amortisation Expenses	3	8,383,108
g.	Other expenditure	21	78,553,756
	Total Expenses		382,232,467
III	Profit before Other exceptional and extraordinary item and tax (III-IV)		9,789,356
IV	Exceptional items		-
V	Profit before extraordinary items and tax (V- VI)		9,789,356
VI	Extraordinary Item		-
VII	Profit before tax (VII-VIII)		9,789,356
VIII	Tax expense		
	a) Current Tax		3,034,700
	b) Deferred Tax		-
	c) Short provision for early years		-
	Total Tax Expenses		3,034,700
IX	Profit (Loss) for the Period from continuing operations (VII-VIII)		6,754,656
X	Profit /Loss for discontinuing operations		-
XI	Tax expense of discontinuing operations		-
XII	Profit (Loss) from discontinuing operations after tax (XII-XIII)		-
XIII	Profit (Loss) for the Period (XI + XIV)		6,754,656
XIV	Other comprehensive income/(Expenses)		-
XV	Total comprehensive income for the period net of Tax		6,754,656
XVI	Paid up Equity Shares of Capital		40,299,770
XVII	Earnings Per Share (EPS)		
	a) Basic and diluted EPS before Extraordinary items (Rs)		1.68
	b) Basic and diluted EPS after Extraordinary items (Rs.)		1.68

For & on Behalf of Board of Directors

हुकमिचंद चोर्दिया

Hukmichand Chordia
Chairman
(DIN: 00389587)

Pradeep Chordia

Pradeep Chordia
Managing Director
(DIN: 00389681)

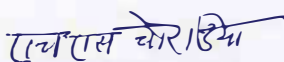


Place: Pune
Date: 11/11/2020

Standalone Cash Flow Statement for the Period Ended 30th September,2020

PARTICULARS	Current Period	
Cash Flow from Operating Activities		
Net Profit after tax and Extraordinary Items		6,754,656
Add : Depreciation	8,383,108	
Interest Paid	3,537,958	11,921,065
Operating Profit before Working Capital Changes		18,675,721
(Increase)/ Decrease in Trade Receivables	8,510,434	
(Increase) / Decrease in Other Assets	(21,782,422)	
(Increase) / Decrease in Inventories	(7,767,455)	(21,039,443)
		(2,363,722)
Increase / (Decrease)in Trade Payables	(15,673,032)	
Increase / (Decrease)in Short Term Provisions	11,314,274	
Increase / (Decrease)in Other Payables	19,938,263	
		15,579,505
Cash Inflow / (Outflow) from Operations		13,215,783
Add : Exception Item		-
Cash Flow from Operating Activities		13,215,783
Cash Flow from Investing Activities		
Acquisition of Fixed Assets/capital advances		(5,537,250)
Sale of Investments		-
Purchase of Investments		-
Cash Outflow in course of Investing Activities		(5,537,250)
Cash Flow from Financing Activities		
Inflow/(Outflow) proceeds from Borrowings		(11,318,858)
Interest Paid		(3,537,958)
Cash Inflow / (Outflow) in course of Financing Activities		(14,856,816)
Net Increase(Decrease) in Cash and Cash Equivalents (A+B+C)		(7,178,283)
Opening Balance of Cash and Cash Equivalents		22,186,536
Closing Balance of Cash and Cash Equivalents		15,008,253

For & on Behalf of Board of Directors


Hukmichand Chordia
 Chairman
 (DIN: 00389587)


Pradeep Chordia
 Managing Director
 (DIN: 00389681)

Place: Pune
Date: 11/11/2020



Notes forming part of the Standalone Financial Statements

1. Company Overview

a) Corporate Information

- i) The Company is a listed Public Limited company domiciled in India and is incorporated under the provisions of Companies Act, 1956. The registered office of the Company is located at Plot No. 399/400, Village Sanghavi, Taluka Shirwal District Satara- 412801.
- ii) The company is engaged in the business of manufacturing and selling processed foods for more than three decades. The company is currently having two divisions: ""Food Division"" and ""Food Park - Infrastructure Division""
- iii) 100% shares of Aveer Foods Limited has been acquired by the company."

b) Basis of Preparation of Standalone Financial Statements

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as issued under the Companies (Indian Accounting Standards) Rules, 2015. The Standalone Financial Statements have been prepared to comply in all material respects with the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the said Act and the guidelines issued by the Securities and Exchange Board of India.

c) In the Meeting of Board of Directors held on 5th February, 2020 the Board of Directors had approved the De-merger of 'Food Division' of the Company into Aveer Foods Limited (100% Subsidiary of the Company). The Company has filed the necessary documents under Regulation 37 with the BSE Ltd. (Bombay Stock Exchange). The company has received Observation Letter from BSE Limited vide letter no. DCS/AMAL/SD/R37/1835/2020-21 dated 6th November, 2020 by Hon'ble National Company Law Tribunal Mumbai.

d) The Company has considered the possible impact that may arise from COVID-19, a global pandemic, on the carrying amount of its assets including inventory and receivables. In developing the assumptions relating to the impact of possible future uncertainties in global economic conditions because of this pandemic, the Company, as at the date of approval of these financial results has used internal and external sources of information including economic forecasts. The Company based on current estimates expects the carrying amount of the above assets will be recovered, net of provisions established.

2. SIGNIFICANT ACCOUNTING POLICIES

a. Revenue Recognition

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly



probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract."

b. Use of Estimates

The preparation of financial statement requires estimates and assumptions to be made that affect the reported amount of Assets and Liabilities on the date of the financial statements and the reported amount of Revenues and Expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized.

c. Property, Plant & equipment

"Measurement at recognition:

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

The Company identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Expenses directly attributable to new manufacturing facility during its construction period are capitalized if the recognition criteria are met. Expenditure related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant heads of property, plant and equipment if the recognition criteria are met.

Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

Capital work in progress and Capital advances:

Cost of assets not ready for intended use, as on the balance sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed as Other Non-Current Assets."

d. Depreciation

On fixed assets Depreciation has been provided in a manner that amortizes the cost of the assets over their estimated useful lives on straight line method as per the useful life prescribed under Schedule II



of Companies Act, 2013.

e. Foreign Currency Transaction

i. Transactions in foreign currencies are initially recorded by the Company at the functional currency spot rate of exchange prevailing on the date of the transaction.

ii. Monetary assets and monetary liabilities denominated in foreign currencies and remaining unsettled at the end of the year are converted at the functional currency spot rate of exchange prevailing on the reporting date. Differences arising on settlement or conversion of monetary items are recognised in statement of profit and loss.

iii. 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"

f. Investment in Subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

g. Inventories

Inventories are valued at lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Raw materials, packing materials and stores: Costs includes cost of purchase net of discounts and other costs incurred in bringing each product to its present location and condition.

Finished goods and work in progress: In the case of manufactured inventories and work in progress, cost includes all costs of purchases, an appropriate share of production overheads based on normal operating capacity and other costs incurred in bringing each product to its present location and condition"

h. Borrowing Cost

Borrowing costs that are attributable to the acquisition or construction of Qualifying assets, up to the date when they are ready for their intended use or sale , are capitalized as part of the cost of acquisition. Other borrowing costs are charged to Profit & Loss Account.

i. Taxation

i. Income tax expense for the year comprises of current tax and deferred tax. Current tax is the expected tax payable/ receivable on the taxable income/ loss for the year using applicable tax rates for the relevant period, and any adjustment to taxes in respect of previous years. Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes .



ii. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis."

j. Provisions, Contingent Liabilities and Contingent Assets

i. Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

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

iii. Contingent assets are not recognised in the financial statements.



Notes forming part of the Standalone Financial Statements

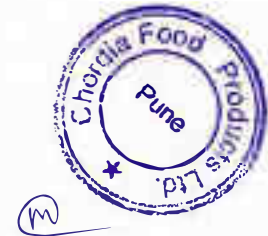
Note 3: Property, plant & equipment

PARTICULARS	LAND	BUILDINGS	PLANT & EQUIPMENT	FURNITURE & FIXTURES	VEHICLES	TOTAL
Gross Block						
As at 31st March,2019	25,320,477	150,233,708	187,331,405	16,895,703	11,799,607	391,580,900
Addition	-	-	614,190	64,550	-	678,740
Deduction	-	-	-	-	-	-
As at 31st March,2020	25,320,477	150,233,708	187,945,595	16,960,253	11,799,607	392,259,640
Addition	-	-	5,537,250	-	-	5,537,250
Deduction	-	-	-	-	-	-
As at 30th September,2020	25,320,477	150,233,708	193,482,845	16,960,253	11,799,607	397,796,890
Depreciation						
As at 31st March,2019	-	48,325,581	120,793,284	12,564,804	10,535,659	192,219,328
Addition	-	6,099,957	12,621,829	1,145,914	948,519	20,816,219
Deduction	-	-	-	-	-	-
As at 31st March,2020	-	54,425,538	133,415,113	13,710,718	11,484,178	213,035,547
Addition	-	3,049,979	4,706,525	572,957	53,647	8,383,108
Deduction	-	-	-	-	-	-
As at 30th September,2020	-	57,475,517	138,121,638	14,283,675	11,537,825	221,418,655
Net Block						
As at 31st March,2019	25,320,477	101,908,127	66,538,121	4,330,899	1,263,948	199,361,572
As at 31st March,2020	25,320,477	95,808,170	54,530,482	3,249,535	315,429	179,224,093
As at 30th September,2020	25,320,477	92,758,191	55,361,207	2,676,578	261,782	176,378,235



Note 4 Investments

Particulars	As on 30th September,2020		
	Quoted Rupees	Unquoted Rupees	Total Rupees
Investments (at cost)			
A. Investment in Subsidiary			
a) Investment in Aveer Foods Ltd.		100,000	100,000
Total (A)		100,000	100,000
B. Other Investments			
a) 1000 shares of Rupee Co-op Bank Ltd of Rs. 50/- each		50,000	50,000
b) Investment in The Vishweshwar Sahakari Bank Ltd.		213,905	213,905
Total (B)		263,905	263,905
Total (A+B)			363,905



Note 5 Inventories

(At lower of cost and net realisable value)

Particulars	As on 30th September, 2020
(a) Raw materials	28,677,009
(b) Work-in-progress	91,023,781
(c) Packing Material	12,536,948
(d) Finished goods	18,020,417
Total	150,258,155

Note 6 Trade receivables

Particulars	As on 30th September, 2020
Trade receivables	
Secured, considered good	-
Unsecured, considered good	69,537,508
Total	69,537,508

Note 7 Cash and cash equivalents

Particulars	As on 30th September, 2020
(a) Cash on hand	2,600,769
(b) Cheques, drafts on hand	-
(b) Balances with banks	
(i) In current accounts	1,025,750
(ii) In CC accounts	11,381,737
Total	15,008,256

Note 8 Other Assets

Particulars	As on 30th September, 2020
Other Current Assets	32,166,596
Deposits (Assets)	1,927,641
Loans & Advances	32,819,634
Total	66,913,871



Note 9 Share Capital

Particulars	As on 30th September,2020	
	Number of shares	Amount
(a) Authorised Equity shares of ` 10 each with voting rights	5,550,000	55,500,000
(b) Issued Equity shares of ` 10 each with voting rights	3,238,300	32,383,000
(c) Subscribed and fully paid up Equity shares of ` 10 each with voting rights	4,028,252	40,282,520
Add: Share Forefeiture	-	17,250
Total		40,299,770

Note 10 Other Equity

Particulars	As on 30th September,2020
(a) Capital reserve	
Balance as per Last Financial Statement	16,742,042
Closing balance	16,742,042
(b) Securities Premium Account	
Balance as per Last Financial Statement	46,786,136
Closing balance	46,786,136
(c) General Reserve	
Balance as per Last Financial Statement	37,788,222
Add: Transferred from surplus in Statement of Profit and Loss	-
Closing balance	37,788,222
(d) Other reserves : Share Buy Back Reserve	
Balance as per Last Financial Statement	2,250,000
Closing balance	2,250,000
(e) Surplus / (Deficit) in Statement of Profit and Loss	
Balance as per Last Financial Statement	212,695,428
Add: Transferred from Statement of Profit and Loss	6,754,655
Closing balance	219,450,083
Total	323,016,483



Note 11 Borrowings

Particulars	As on 30th September,2020
A) Long Term Borrowings Term Loan (Secured)	26,288,681
B) Short Term Borrowings HDFC CC Account	7,559,622
Total	33,848,303

Note 12 Trade payables

Particulars	As on 30th September,2020
Trade payables:	
-Micro Enterprises & small enterprises	
-Other than Micro Enterprises & small enterprises	24,587,528
Total	24,587,528

Note 13 Short-term provisions

Particulars	As on 30th September,2020
(a) Provision for Expenses	6,560,611
(b) LIC of India	5,576
(c) GST Payable	1,876,816
(c) Provision for Income Tax	4,067,441
(d) Profession Tax	37,375
(e) Salary & wages Payable	12,083,038
(h) TDS Payable	185,362
Total	24,816,219



Note 14 Other Current Liabilities

Particulars	As on 30th September,2020
(a) Security Deposit from Customers	7,919,268
(b)Advances Received from Customers	7,979,480
(c)Current Maturity of Long Term Debt	21,042,573
Total	36,941,321

Note 15 Revenue from operations

Particulars	Current Period
Sale of products	385,682,066
Cold Storage Rent	6,024,710
Total	391,706,776

Note 16 Other Income

Particulars	Current Period
Interest Income	300,000
Rent	14,400
Discount Received	647
Total	315,047

Note 17 Cost Of Materials Consumed

Particulars	Current Period
Opening stock	67,742,055
Add: Purchases	771,407,507
	339,149,557
Less: Closing stock	28,677,009
Total	310,472,548



Note 18 Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade

Particulars	Current Period
Inventories at the end of the year:	
Finished goods	30,557,365
Work-in-progress	91,023,781
	121,581,146
Inventories at the beginning of the year:	
Finished goods	20,453,036
Work-in-progress	54,295,609
	74,748,645
Net (increase) / decrease	(46,832,501)

Note 19 Employee Benefit Expenses

Particulars	Current Period
Salaries and wages	26,907,061
Contributions to provident and other funds	1,210,537
Total	28,117,598

Note 20 Finance Costs

Particulars	Current Period
(a) Interest expense on:	
(i) Borrowings	3,197,590
(ii) Deposits	308,246
(iii) Other Bank Charges	32,122
Total	3,537,958



Note 21 Other Expenses

Particulars	Current Period
Power & Fuel	5,600,238
Rent, Rates & Taxes	604,128
Repairs & Maintenance	2,159,232
Insurance	686,055
Forwarding Charges	4,401,333
Fees & License	497,755
Factory Expenses	2,484,410
Packing Expenses	11,374,143
Loading & Unloading Expenses	1,289,231
Advertisement Expenses	1,881,944
Royalty	900,000
Audit Fees	125,000
Other Expenses	1,548,093
Computer Expenses	427,611
Donation	8,000
Security Charges	1,576,823
Interest On T.D.S	6,331
Legal & Professional Fees	1,666,324
Cutting & Production Charges	15,385,908
Sales Promotion Expenses	9,959,146
Operational Charges	3,678,170
Commission on Sales	633,258
Interest on VAT, CST & GST	17,070
Printing & Stationary	127,414
Cleaning Expense	712,515
Canteen Expense	545,315
Labour Charges	496,486
Gst Expense	8,482,363
Maintenance Expense	1,279,460
Total	78,553,756



Aveer Foods Limited
Balance Sheet as at 30th September 2020

(Amount in Rs.)

Particulars	Note	As on 30th September, 2020
A. Assets		
(1) Non-Current Assets		
(a) Property, plant & equipment	6	1,092,051
(b) Capital work-in-progress		2,373,264
(c) Goodwill		
(d) Other intangible Assets		
(e) Intangible assets under development		
(f) Financial Assets		
(i) Investments in subsidiaries		
(ii) Other Investments		
(iii) Loans		
(iv) Other Financial Assets		
(g) Other Non Current Assets		
(h) Deferred tax assets (net)		
Subtotal - Non-Current Assets		3,465,315
(2) Current Assets		
(a) Inventories	7	978,586
(b) Financial Assets		
(i) Trade receivables	8	326,256
(ii) Cash and cash equivalents	9	644,410
(iii) Bank balances other than (ii) above	9	1,999,708
(iv) Loans		
(v) Derivatives		
(vi) Other Financial Assets		
(c) Other Assets	10	2,673,029
Sub total - Current Assets		6,621,989
TOTAL ASSETS		10,087,304
B. Equity and Liabilities		
(1) Equity		
(a) Share Capital	11	100,000
(b) Other Equity	12	(3,222,882)
(c) Share application money pending allotment		
Sub Total -Equity		(3,122,882)
(2) Non-Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings		
(ii) Other Financial Liabilities		
(b) Long Term Provisions		
(c) Deferred tax liability (Net)		
Sub - Total Non current Liabilities		
(3) Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	13	10,188,569
(ii) Trade Payables		
-Micro Enterprises & small enterprises		
Other than Micro Enterprises & small enterprises	14	2,900,899
(iii) Derivatives		
(iv) Other current Financial Liabilities		
(b) Short Term Provisions	15	54,717
(c) Other Liabilities		
Sub Total Current Liabilities		13,210,185
TOTAL EQUITY AND LIABILITIES		10,087,303

For & on behalf of Board of Directors


Rajkumar Chordia
 Director
 (DIN: 00058185)


Vishal Chordia
 Director
 (DIN: 01801631)



Place: Pune
 Date: 11/11/2020

Statement of Profit & Loss for the period ended 30th September,2020

(Amount in Rs.)

Sr.No	Particulars	Note	Current Period ended 30th September, 2020
I	INCOME FROM OPERATIONS		
a	Revenue from Operations	16	996,146
b	Other Income		-
	Total Income		996,146
II	EXPENSES		
a.	Cost of Materials Consumed	17	647,134
b.	Purchase of Stock in trade		-
c.	Changes in inventories of finished goods, work-in-progress and stock-in-trade	18	(65,175)
d.	Employees Cost		-
e.	Finance Costs	19	371
f.	Depreciation & Amortisation Expenses	6	15,562
g.	Other Expenses	20	2,336,229
	Total Expenses		2,934,121
III	Profit before Other Exceptional and Extraordinary Item and Tax (I- II)		(1,937,976)
IV	Exceptional Items		-
V	Profit before Extraordinary Items and Tax (III- IV)		(1,937,976)
VI	Extraordinary Item		-
VII	Profit before Tax (V-VI)		(1,937,976)
VIII	Tax expense		
	a) Current Tax		-
	b) Deferred Tax		-
	c) Short provision for early years		-
	Total Tax Expenses		-
IX	Profit (Loss) for the Period from Continuing Operations (VII-VIII)		(1,937,976)
X	Profit /Loss for Discontinuing Operations		-
XI	Tax expense of Discontinuing Operations		-
XII	Profit (Loss) from Discontinuing Operations after tax (X-XI)		-
XIII	Profit (Loss) for the Period (IX + XII)		(1,937,976)
XIV	Other Comprehensive Income/(Expenses), Net of Tax		-
XV	Total Comprehensive Income for the period		(1,937,976)
XVI	Paid up Equity Share of Capital		100,000
XVII	Earnings Per Share (EPS)		
	a) Basic and diluted EPS before Extraordinary items (Rs)		(193.80)
	b) Basic and diluted EPS after Extraordinary items (Rs.)		(193.80)

For & on behalf of Board of Directors

Rajkumar Chordia

Rajkumar Chordia
Director
(DIN: 00058185)

Vishal Chordia

Vishal Chordia
Director
(DIN: 01801631)



Place: Pune

Date: 11/11/2020

Cash Flow Statement for the period ended 30th September, 2020

(Amount in Rs.)

PARTICULARS	Current Period ended 30th September, 2020	
(A) Cash Flow from Operating Activities		
Net Profit before tax and Extraordinary Items		(1,937,976)
Add : Depreciation	15,562	
Add: Interest Paid	371	15,933
Operating Profit before Working Capital Changes		(1,922,042)
(Increase)/ Decrease in Trade Receivables	(326,256)	
(Increase) / Decrease in Other Assets	(606,588)	
(Increase) / Decrease in Inventories	(978,586)	(1,911,430)
		(3,833,473)
Increase / (Decrease) in Trade Payables	2,336,040	
Increase / (Decrease) in Short Term Provisions	14,533	
Increase / (Decrease) in Other Payables	-	2,350,573
Cash Inflow / (Outflow) from Operations		(1,482,900)
Add : Income Tax Expenses		-
Cash Flow from Operating Activities (A)		(1,482,900)
(B) Cash Flow from Investing Activities		
Acquisition of Fixed Assets/capital advances		(1,052,071)
Sale of Investments		-
Purchase of Investments		-
Cash Outflow in course of Investing Activities (B)		(1,052,071)
(C) Cash Flow from Financing Activities		
Issue of shares		-
Inflow/(Outflow) proceeds from Borrowings		6,074,271
Interest Paid		(371)
Cash Inflow / (Outflow) In course of Financing Activities (C)		6,073,900
Net Increase(Decrease) in Cash and Cash Equivalents (A+B+C)		3,538,929
Opening Balance of Cash and Cash Equivalents		1,478,452
Closing Balance of Cash and Cash Equivalents		5,017,381

For & on behalf of Board of Directors

Rajkumar Chordia

Rajkumar Chordia
Director
(DIN: 00058185)

Vishal Chordia

Vishal Chordia
Director
(DIN: 01801631)



Place: Pune
Date: 11/11/2020

Notes forming part of the Financial Statements

1. Corporate Information

i. The Company is Public Limited company domiciled in India and is incorporated on 11th April, 2019 under the provisions of Companies Act, 2013. The registered office of the Company is located at Plot No. 55/A/5 6, Hadapsar Industrial Estate, Pune- 411013.

ii. The Company is 100% subsidiary of Chordia Food Products Limited with effect from 14th August, 2020.

2. Basis of Preparation of Financial Statements

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as issued under the Companies (Indian Accounting Standards) Rules, 2015. The Financial statements have been prepared to comply in all material respects with the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.

3. In the Meeting of Board of Directors of Holding Company held on 5th February, 2020 the Board had approved the De-merger of 'Food Division' of the Chordia Food Products Limited (Holding Company) into Aveer Foods Limited (100% Subsidiary of Chordia Food Products Limited). The Holding Company has filed the necessary documents under Regulation 37 with the BSE Ltd. (Bombay Stock Exchange). The company has received Observation Letter from BSE Limited vide letter no. DCS/AMAL/SD/R37/1835/2020-21 dated 6th November, 2020 by Hon'ble National Company Law Tribunal Mumbai.

4. The Company has considered the possible impact that may arise from COVID-19, a global pandemic, on the carrying amount of its assets including inventory and receivables. In developing the assumptions relating to the impact of possible future uncertainties in global economic conditions because of this pandemic, the Company, as at the date of approval of these financial results has used internal and external sources of information including economic forecasts. The Company based on current estimates expects the carrying amount of the above assets will be recovered, net of provisions established.

5. SIGNIFICANT ACCOUNTING POLICIES

a. Revenue Recognition

Revenue from sale of goods is recognized when the risks and rewards of ownership are transferred to the buyer.

b. Use of Estimates

The preparation of financial statement requires estimates and assumptions to be made that affect the reported amount of Assets and Liabilities on the date of the financial statements and the reported amount of Revenues and Expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized.

c. Property, Plant & equipment

Measurement at recognition:

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

The Company identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.



The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Expenses directly attributable to new manufacturing facility during its construction period are capitalized if the recognition criteria are met. Expenditure related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant heads of property, plant and equipment if the recognition criteria are met.

Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

Capital work in progress and Capital advances:

Cost of assets not ready for intended use, as on the balance sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed as Other Non-Current Assets."

d. Depreciation

On fixed assets Depreciation has been provided in a manner that amortizes the cost of the assets over their estimated useful lives on straight line method as per the useful life prescribed under Schedule II of Companies Act, 2013.

e. Foreign Currency Transaction

i. Transactions in foreign currencies are initially recorded by the Company at the functional currency spot rate of exchange prevailing on the date of the transaction.

ii. Monetary assets and monetary liabilities denominated in foreign currencies and remaining unsettled at the end of the year are converted at the functional currency spot rate of exchange prevailing on the reporting date. Differences arising on settlement or conversion of monetary items are recognised in statement of profit and loss.

iii. 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"

f. Investments

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

g. Inventories

Inventories are valued at lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Raw materials, packing materials and stores: Costs includes cost of purchase net of discounts and other costs incurred in bringing each product to its present location and condition.

Finished goods and work in progress: In the case of manufactured inventories and work in progress, cost includes all costs of purchases, an appropriate share of production overheads based on normal



operating capacity and other costs incurred in bringing each product to its present location and condition.

h. Borrowing Cost

Borrowing costs that are attributable to the acquisition or construction of Qualifying assets, up to the date when they are ready for their intended use or sale , are capitalized as part of the cost of acquisition. Other borrowing costs are charged to Profit & Loss Account.

i. Taxation

i. Income tax expense for the year comprises of current tax and deferred tax. Current tax is the expected tax payable/ receivable on the taxable income/ loss for the year using applicable tax rates for the relevant period, and any adjustment to taxes in respect of previous years. Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes .

ii. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis."

j. Provisions, Contingent Liabilities and Contingent Assets

i. Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

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

iii. Contingent assets are not recognised in the financial statements."



Aveer Foods Limited
Notes forming part of the financial statements

Note 6: Property, plant & equipment

(Amount in Rs.)

PARTICULARS	PLANT & EQUIPMENT	TOTAL
Gross Block		
At the Commencement of the period	-	-
Addition	56,285	56,285
Deduction	-	-
As at 31st March,2020	56,285	56,285
Addition	1,052,071	1,052,071
Deduction	-	-
As at 30th September,2020	1,108,356	1,108,356
Depreciation		
At the Commencement of the period	-	-
Addition	743	743
Deduction	-	-
As at 31st March,2020	743	743
Addition	15,562	15,562
Deduction	-	-
As at 30th September,2020	16,305	16,305
Net Block		
At the Commencement of the period	-	-
As at 31st March,2020	55,542	55,542
As at 30th September,2020	1,092,051	1,092,051



Aveer Foods Ltd.**Notes forming part of the financial statements****Note 7 Inventories**

(At lower of cost and net realisable value)

(Amount in Rs.)

Particulars	As on 30th September, 2020
(a) Raw materials	913,411
(b) Work-in-progress	367
(c) Finished goods	669
(d) Packing Material	64,139
Total	978,586

Note 8 Trade receivables

Particulars	As on 30th September, 2020
Trade receivables	
Secured, considered good	-
Unsecured, considered good	326,256
Total	326,256

Note 9 Cash and cash equivalents

Particulars	As on 30th September, 2020
(a) Cash on hand	644,410
	644,410
(b) Balances with banks	
(i) In current accounts	1,999,708
	1,999,708
Total	2,644,118

Note 10 Other Assets

Particulars	As on 30th September, 2020
GST Credit	522,029
Rent Deposit- M/s Siddharth Engineers	1,944,000
Security Deposit-Central Depository Services (India)	10,000
Advances to Creditors	197,000
Total	2,673,029



Note 11 Share Capital

(Amount in Rs.)

Particulars	As on 30th September, 2020	
	Number of shares	Amount
(a) Authorised Equity shares of Rs. 10 each with voting rights	5,000,000	50,000,000
(b) Issued Equity shares of Rs. 10 each with voting rights	10,000	100,000
(c) Subscribed and fully paid up Equity shares of Rs. 10 each with voting rights	10,000	100,000
Total		100,000

Note 12 Other Equity

Particulars	As on 30th September, 2020
(a) Surplus / (Deficit) in Statement of Profit and Loss	
At the Beginning of the year	(1,284,906)
Add: Transferred from Statement of Profit and Loss	(1,937,976)
Closing balance	(3,222,882)
Total Other Equity	(3,222,882)



(Amount in Rs.)

Note 13 Borrowings

Particulars	As on 30th September, 2020
(a) Loans repayable on demand	
Secured	-
Unsecured (Refer Note (i) below)	10,188,569
Total	10,188,569

Note (i)

Particulars	As on 30th September, 2020
(i) Borrowings comprise of:	
a) Loan from Holding Company (i.e. Chordia Food Products Limited)	10,188,569
Total	10,188,569

Note (ii): Loan from Holding Company and Director are:

- a) Interest free loans
- b) Repayable on demand

Note 14 Trade Payables

Particulars	As on 30th September, 2020
Trade payables:	
a) Micro Enterprises & small enterprises	-
b) Other than Micro Enterprises & small enterprises	2,966,899
Total	2,966,899

Note 15 Short-term Provisions

Particulars	As on 30th September, 2020
(a) TDS Payable	54,717
Total	54,717



Note 16 Revenue from operations**(Amount in Rs.)**

Particulars	Current Period ended 30th September, 2020
Sale of products	996,146
Total	996,146

Note 17 Cost Of Materials Consumed

Particulars	Current Period ended 30th September, 2020
Opening stock	-
Add: Purchases	1,560,545
	1,560,545
Less: Closing stock	913,411
Total	647,134

Note 18 Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade

Particulars	Current Period ended 30th September, 2020
<u>Inventories at the end of the year:</u>	
Finished goods	669
Work-in-progress	367
Stock-in-trade	64,139
	65,175
<u>Inventories at the beginning of the year:</u>	
Finished goods	-
Work-in-progress	-
Stock-in-trade	-
	-
Net (increase) / decrease	(65,175)



(Amount in Rs.)

Note 19 Finance Costs

Particulars	Current Period ended 30th September, 2020
(a) Bank Charges	371
Total	371

Note 20 Other Expenses

Particulars	Current Period ended 30th September, 2020
Power & Fuel	81,941
Factory Expense	45,600
Legal & Professional Fees	20,900
Audit Fees	10,000
Packing Expense	3,894
Printing and Stationary	900
Professional Tax Company	2,500
Rent, Rates & Taxes	1,708,584
Fees & License	35,500
Interest on TDS	531
Security Charges	307,070
R&D Expense	118,389
Misc. Expenses	420
Total	2,336,229





REPORT ADOPTED BY THE BOARD OF DIRECTORS OF CHORDIA FOOD PRODUCTS LIMITED AT ITS MEETING HELD ON WEDNESDAY, THE 5TH FEBRUARY 2020 AT THE CORPORATE OFFICE OF THE COMPANY SITUATED AT 38/39 TARKAR COMPOUND, ABOVE S K AGENCIES, HADAPSAR INDUSTRIAL ESTATE, HADAPSAR,PUNE-411013 EXPLAINING THE EFFECT OF THE SCHEME ON SHAREHOLDERS (PROMOTERS, NON-PROMOTER SHAREHOLDERS) AND KEY MANAGERIAL PERSONNEL.

1. Background

- 1.1 The proposed Scheme of Arrangement between **Chordia Food Products Limited** (hereinafter referred to as “**The Demerged Company**” or “**CFPL**”) with **Aveer Foods Limited** (hereinafter referred to as “**the Resulting Company**” or “**AFL**”) and their respective shareholders (the “**Scheme**”) was approved by the Board of Directors of the Demerged Company (the “**Board**”) vide resolution dated 5th February 2020. The provisions of Section 232(2)(c) of the Companies Act, 2013 (“**Act**”) requires the directors to adopt a report explaining the effect of the Scheme on each class of shareholders, promoter and non-promoter shareholders and key managerial personnel at the time of seeking their approval to the Scheme as may be directed by the Hon’ble National Company Law Tribunal, Mumbai Bench (“**NCLT**”).
- 1.2 This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Act.
- 1.3 The following documents were placed before the Board:
 - a) Draft Scheme as recommended by the board of directors of the Company.
 - b) Share Entitlement Ratio Report dated 4th February 2020 prepared by Haresh Upendra & Co., Chartered Accountant describing the methodology adopted by him in arriving at the share exchange ratio (“Share Entitlement Ratio Report”).
 - c) Report of the Audit Committee dated 5th February 2020 recommending the scheme to the Board for approval.
 - d) Fairness Opinion dated 5th February 2020 issued by the Navigant Corporate Advisors Limited providing the fairness opinion on the Share Entitlement Ratio recommended by Haresh Upendra & Co., Chartered Accountant

2. Effect of the Scheme of Arrangement on equity shareholders (promoter and non-promoter shareholders), employees and Key Managerial Personnel and Creditors and other Stakeholders of the Company:

CHORDIA FOOD PRODUCTS LTD.

Office: Above S. K. Agencies, 38/39, Tarkar Compound, Hadapsar Industrial Estate, Hadapsar, Pune-411013

Tel.: 020-26871500 Website: www.chordiafoods.com

Registered Office: 399/400, Sangavi (Shirwadi), Tal. Khandale, Dist. Satara-412801

Tel.: 9922990065 CIN : L15995PN1982PLC026173



2.1 Equity Shareholders (Promoter and Non-promoters):

Pursuant to the Scheme of Arrangement, the Demerged Undertaking of Chordia Food Products Limited shall be transferred to and vested in the Resulting Company. On issuance of shares by Resulting Company, all the shareholders of Demerged Company would also become the shareholders of Resulting Company:

Resulting Company shall, without any application or deed, issue and allot to the shareholders of the Demerged Company whose names appear in the register of members of the Demerged Company on the Record Date 1(One) Equity Share of the face value of Rs. 10/- each of the Resulting Company for every 1 (One) Equity Share of the face value Rs. 10/- each held by the shareholders in the Demerged Company.

The share exchange ratio is based on the Share Entitlement Ratio Report. The aforesaid Share Entitlement Ratio Report have been duly considered by the Board of Directors of the Company and have come to the conclusion that share exchange ratio is fair and reasonable.

Further, within 12 months from the listing of equity shares of Resulting Company, there shall be realignment of shareholding between promoter and promoter group of Demerged Company and promoter and promoter group of Resulting Company as set out in the scheme

2.2 Director and Key Managerial Personnel:

None of the Directors and Key Managerial Personnel of the Demerged Company or their respective relatives have any interest in the scheme except to the extent the Equity Shares held by them in the Demerged Company or the Resulting Company directly or as a nominee. There will be no change in management of the Demerged Company and Resulting Company except as mentioned in clause 9 of the scheme as integral part of the Scheme.

2.3 Employee:

Under Clause 8 of the Scheme, all the employees pertaining to the Demerged Undertaking of Demerged Company in service on the operative date shall become employees of Resulting Company without any break or interruption of service and on terms and conditions as to remuneration not less than those subsisting with reference to CFPL. In the circumstances, the rights of the employees of CFPL would in no way be affected by the Scheme.

CHORDIA FOOD PRODUCTS LTD.

Office: Above S. K. Agencies, 38/39, Tarkar Compound, Hadapsar Industrial Estate, Hadapsar, Pune-411013

Tel.: 020-26871500 **Website:** www.chordiafoods.com

Registered Office: 399/400, Sangavi (Shirwal), Tal. Khandala, Dist. Satara-412801

Tel.: 9922990065 **CIN :** L15995PN1982PLC026173



2.4 Creditors:

Since the scheme of arrangement is between the between shareholders of Demerged Company and Resulting Company as contemplated under Section 230(1)(b) and not in accordance with the provisions of Section 230(1) (a) of the Companies Act, 2013 there is no compromise and/or arrangement with creditors and the creditors of the Demerged Company are being paid in the normal course of business and as per the agreed terms and are not called upon to make any sacrifices, hence their interests are not getting affected in any way.

2.5 Impact on other stakeholders

Depositors	Not Applicable
Debenture Holders	Not Applicable
Deposit Trustee and Debenture Trustee;	Not Applicable

In the opinion of the Board, the Scheme will be of advantage and beneficial to the Company, its shareholders and other stakeholders and the terms thereof are fair and reasonable.

By Order of the Board

For Chordia Food Products Limited


Mr. Pradeep Chordia
Managing Director
DIN: 00389681



Date: 05/02/2020

Place: Pune

CHORDIA FOOD PRODUCTS LTD.

Office: Above S. K. Agencies, 38/39, Tarkar Compound, Hadapsar Industrial Estate, Hadapsar, Pune-411 013,
Tel.: 020-26871500 Website: www.chordiafoods.com

Registered Office: 399/400, Sangavi (Shirwal), Tal. Khandala, Dist. Satara-412801
Tel.: 9922990065 CIN : L15995PN1982PLC026173

AVEER FOODS LIMITED

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF AVEER FOODS LIMITED AT ITS MEETING HELD ON WEDNESDAY, THE 5TH FEBRUARY 2020 AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT PLOT NO. 55/5 6 HADAPSAR INDUSTRIAL ESTATE, NEAR HONEYWELL, HADAPSAR, PUNE- 411013 EXPLAINING THE EFFECT OF THE SCHEME ON SHAREHOLDERS (PROMOTERS, NON-PROMOTER SHAREHOLDERS) AND KEY MANAGERIAL PERSONNEL.

1. Background

- 1.1 The proposed Scheme of Arrangement between **Chordia Food Products Limited** (hereinafter referred to as “**The Demerged Company**” or “**CFPL**”) and **Aveer Foods Limited** (hereinafter referred to as “**the Resulting Company**” or “**AFL**”) and their respective shareholders (the “**Scheme**”) was approved by the Board of Directors of the Resulting Company (the “**Board**”) vide resolution dated 5th February 2020. The provisions of Section 232(2)(c) of the Companies Act, 2013 (“**Act**”) requires the directors to adopt a report explaining the effect of the Scheme on each class of shareholders, promoter and non-promoter shareholders and key managerial personnel at the time of seeking their approval to the Scheme as may be directed by the Hon’ble National Company Law Tribunal, Mumbai Bench (“**NCLT**”).
- 1.2 This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Act.
- 1.3 The following documents were placed before the Board:
 - a) Draft Scheme as recommended by the board of directors of the Company.
 - b) Share Entitlement Ratio Report dated 4 February 2020 prepared by Hareesh Upendra & Co., Chartered Accountant describing the methodology adopted by him in arriving at the share exchange ratio (“Share Entitlement Ratio Report”).

2. Effect of the Scheme of Arrangement on equity shareholders (Promoter and Non-promoter shareholders), employees and Key Managerial Personnel and Creditors and other Stakeholders of the Company.

2.1 Equity shareholders (Promoter and Non-promoter members):

Pursuant to the Scheme of Arrangement, the Demerged Undertaking of Chordia Food Products Limited shall be transferred to and vested in the Resulting Company. On issuance of shares by Resulting Company, all the shareholders of Demerged Company would also become the shareholders of Resulting Company:



REGD OFFICE- PLOT 55/5 6, HADAPSAR INDUSTRIAL ESTATE, NEAR TATA HONEYWELL,
PUNE - 411013

CIN: U15549DN2019PLCI83457

Email id: cfpl.bgm@gmail.com Tel: 020-26872085

AVEER FOODS LIMITED

Resulting Company shall, without any application or deed, issue and allot to the shareholders of the Demerged Company whose names appear in the register of members of the Demerged Company on the Record Date 1(One) Equity Share of the face value of Rs. 10/- each of the Resulting Company for every 1 (One) Equity Share of the face value Rs. 10/- each held by the shareholders in the Demerged Company.

The share entitlement ratio is based on the Share Entitlement Ratio Report. The aforesaid Share Entitlement Ratio Report have been duly considered by the Board of Directors of the Company and have come to the conclusion that share exchange ratio is fair and reasonable. Upon the Scheme becoming operative and upon issue of shares by Resulting Company as mentioned above, shares of the Resulting Company held by the Demerged Company and its nominee stand cancelled.

Further, within 12 months from the listing of equity shares of Resulting Company, there shall be realignment of shareholding between promoter and promoter group of Demerged Company and promoter and promoter group of Resulting Company

2.2 Director and Key Managerial Personnel:

None of the Directors and Key Managerial Personnel of the Demerged Company or their respective relatives have any interest in the scheme except to the extent the Equity Shares held by them in the Demerged Company or the Resulting Company directly or as a nominee. There will be no change in management of the Demerged Company and Resulting Company except as mentioned in clause 9 of the scheme as integral part of the Scheme.

2.3 Employees:

The Resulting Company is newly incorporated Company, and have no employees as on date. Under Clause 8 of the Scheme, all the employees pertaining to the Demerged Undertaking of Demerged Company in service on the operative date shall become employees of Resulting Company without any break or interruption of service and on terms and conditions as to remuneration not less than those subsisting with reference to AFL. In the circumstances, the rights of the employees of AFL would in no way be affected by the Scheme.

2.4 Creditors:

Since the scheme of arrangement is between the between shareholders of Demerged Company and Resulting Company as contemplated under Section 230(1)(b) and not in accordance with the provisions of Section 230(1) (a) of the Companies Act, 2013 as there is no compromise and/or arrangement with creditors and the creditors of the Resulting Company are being paid in the normal course of business and as per the agreed terms and are not called upon to make any sacrifices, hence their interests are not getting affected in any way.

REGD OFFICE: PLOT 55/A/5 6, HADAPSAR INDUSTRIAL ESTATE, NEAR TATA HONEYWELL
PUNE- 411013

CIN: U15549PN2019PLC183457

Email id: cfp.bapu@gmail.com Tel: 020-26872095



AVEER FOODS LIMITED

2.5 Impact on other stakeholders

Depositors	Not Applicable
Debenture Holders	Not Applicable
Deposit Trustee and Debenture Trustee;	Not Applicable

In the opinion of the Board, the Scheme will be of advantage and beneficial to the Company, its shareholders and other stakeholders and the terms thereof are fair and reasonable.

By Order of the Board

For Aveer Foods Limited



Rajkumar Chordia
Director
DIN: 00058185



Date: 05/02/2020

Place: Pune

REGD OFFICE: PLOT 55/A/5 6, HADAPSAR INDUSTRIAL ESTATE, NEAR TATA HONEYWELL
PUNE- 411013

CIN: U15549PN2019PLC183457

Email id: cfp.bapu@gmail.com Tel: 020-26872095

AVEER FOODS LIMITED

ABRIDGED PROSPECTUS

This is an Abridged Prospectus containing salient features pertaining to the unlisted Company, Aveer Foods Limited, which is a party to the Scheme of Arrangement between Chordia Food Products Limited (“Demerged Company”) and AveerFoods Limited (“Resulting Company”) and their respective shareholders under sections 230 to 232 and 66 of the Companies Act 2013 (hereinafter referred as to the “Scheme”).

This document is prepared pursuant to paragraph I.A.3 (a) of annexure I of the Securities and Exchange Board of India (“SEBI”) circular bearing number CFD/ DIL3/CIR/2017/21 dated March 10, 2017 (as amended)(“SEBI Circular”) and Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements)Regulations, 2015 read with the said SEBI Circular and contains the applicable information in the format for abridged prospectus and provided in part E of Schedule VI of the SEBI (Issue of Capital and Disclosure Requirements)Regulations, 2018.You are also encouraged to read the Scheme and other documents available on the website of the Demerged Company (www.chordiafoods.com).

NO EQUITY SHARES ARE PROPOSED TO BE SOLD OR OFFERED PURSUANT TO THIS ABRIDGED PROSPECTUS

THIS ABRIDGED PROSPECTUS CONTAINS 10 (TEN) PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.

The Resulting Company is an unlisted public company. The equity shares of the Demerged Company are listed on the BSE Limited (“BSE”)(hereinafter referred as the “Stock Exchange”).The Resulting Company is a wholly owned subsidiary of the Demerged Company.

In terms of the Scheme, it is proposed to demerge the Demerged Undertaking (*as defined in the Scheme*) belonging to Demerged Company into Resulting Company with effect from the Appointed Date, in consideration for which fully paid-up equity shares are to be issued by the Resulting Company to the equity shareholders of the Demerged Company as on the Record Date. The equity shares to be issued by the Resulting Company to the shareholders of the Demerged Company are to be listed and admitted for the trading on the stock exchange pursuant to the Scheme. As there is no issue of equity shares to the public at large, the requirements with respect to General Information Document (GID) are not applicable and this abridged prospectus should be read accordingly.

You may download the Abridged Prospectus along with the Scheme, as approved by the board of directors of the Demerged Company and the Resulting Company on Wednesday , 5th February, 2020respectively, and the copy of valuation report issued by Haresh Upendra & Co Chartered Accountants dated 4th February, 2020,Registered Valuer and the Fairness Opinion issued by M/s. Navigant Corporate Advisors Limited dated 4th February, 2020, from the website of the BSE where the equity shares of the demerged Company are listed or from the website of the Demerged Company www.chordiafoods.com.A copy of the abridged prospectus shall be submitted to the Securities and Exchange Board of India (“SEBI”).

REGD OFFICE: PLOT 55/A/5 6, HADAPSAR INDUSTRIAL ESTATE, NEAR TATA HONEYWELL
PUNE- 411013

CIN: U15549PN2019PLC183457

Email id: cfp.bapu@gmail.com Tel: 020-26872095



AVEER FOODS LIMITED

Registered & Corporate Office: Plot 55/A/5 6, Hadapsar Industrial Estate Near Tata Honywell, Pune-411013

Phone No.: +91 9822476716

Corporate Identification Number: U15549PN2019PLC183457

Contact Person: Mr. Bapu Gavhane; **E-mail:** cfp.bapu@gmail.com

Phone No.: +91 9822476716

PROMOTERS OF THE AVEER FOODS LIMITED

CHORDIA FOOD PRODUCTS LIMITED

SCHEME DETAILS, LISTING AND PROCEDURE

The Scheme is presented under the provisions of sections 230 to 232 and 66 and other relevant provisions of the Companies Act 2013 and the Companies (Comprises, Arrangements and Amalgamations) Rules, 2016 emanating demerger of Demerged Undertaking (*as defined in the Scheme*) belonging to Chordia Food Products Limited ("Demerged Company") with and into Aveer Foods Limited ("Resulting Company") with effect from the Appointed Date 1st April, 2020.

The Board of Directors of Demerged Company and Resulting Company in their respective meetings held on 5th February, 2020 approved a scheme of arrangement ("Scheme"). Wherein, Demerged undertaking of Demerged Company shall be transferred to Resulting Company.

Demerged Company presently holds 10,000 Equity Shares in Resulting Company constituting 100% of paid up share capital of Resulting Company. During the proposed Scheme of Arrangement, the shareholding of demerged company shall stand cancelled.

The scheme is further subject to approval from the shareholders and creditors of aforesaid companies, National Company Law Tribunal (NCLT) and other statutory/regulatory authorities, as may be applicable. The resultant company would be issuing shares to the shareholders of demerged company.

Pursuant to the aforesaid scheme becoming effective, the Resulting Company shall issue equity shares to the shareholders of Demerged Company in the ratio and manner as stated in said Scheme., and accordingly the Shareholder of Demerged Company shall continue to hold Equity Shares of both Demerged Company and Resulting Company.

Consideration:

Upon the Scheme becoming operative and in consideration of the transfer and vesting of the Demerged Undertaking of the Demerged Company in the Resulting Company in terms of the Scheme, the Resulting Company shall, without any application or deed, issue and allot to the shareholders of the Demerged Company whose names appear in the register of members of the Demerged Company on the Record Date 1 (One) Equity Share of the face value of Rs. 10/- each of the Resulting Company for every 1 (One) Equity Shares of the face value Rs. 10/- each held by the shareholders in the Demerged Company. As such the Shareholder of Demerged Company shall continue to hold Equity Shares of both Demerged Company and Resulting Company

The shares issued by Resulting Company to the Members of Demerged Company pursuant to the scheme and holding shares in their Demat Account shall be issued in Dematerialized form. For the members of Demerged Company holding Shares in Physical Form the shares of Resulting Company shall be allotted as directed by BSE Ltd. Or by any such authority. As this would be fresh issue and allotment of Equity Shares of Resulting Company, the Shareholders of Demerged Company are not required to surrender their Shares to the Company as the same will also continue to exist and new shares will be credited to their Demat Accounts without any act or deed on their part.



Post the Scheme of arrangement, the shares issued by the Resulting Company to the existing shareholder of Demerged Company shall be listed on the BSE.

Additionally, the Scheme also provides for various other matter consequential or otherwise integrally connected herewith. Further, terms used but not defined in this Abridged Prospectus shall have the same meaning as defined in the Scheme.

PROCEDURE

The procedure with respect to public issue / offer would not be applicable as the Scheme does not involve issue of any equity share to public at large. The issue of equity shares of the Resulting Company is only to the shareholders of the Demerged Company, in accordance with the Scheme. Hence, the procedure with respect to General Information Documents (GID) is not applicable.

ELIGIBILITY FOR THE ISSUE

Whether the Company is compulsory required to allot at least 75% of the net offer to public, to qualified institutional buyers: **Not Applicable**

INDICATIVE TIMETABLE

The Abridged Prospectus is issued pursuant to the Scheme and is not an offer to public at large. The time frame cannot be established with absolute certainty, as the Scheme is subject to approvals from regulatory authorities, including the Tribunal.

GENERAL RISKS

Investments in equity and equity related securities involved a degree of risk and investors should not invest any funds in the equity shares of the Resulting Company unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision for taking an investment decision investors must rely on their own examination of the Resulting Company and the Scheme including the risk involved. The equity shares be issued under the scheme has not been recommended or approved by the SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of this Abridged Prospectus. Specific attention of the readers is invited to the sections title “**Scheme Details, listing and Procedure**” and “**Risk Factors**” on page 2 and 9 respectively of this Abridged Prospectus.

PRICE INFORMATION OF LEAD MANAGER

Not Applicable, since the proposed issue of equity share by the Resulting Company is only to the shareholders of the Demerged Company and does not involve issue of any equity shares to public at large..

Name of the Merchant Banker[®] and contact details	NAVIGANT CORPORATE ADVISORS LIMITED Address:- 423 A WING, Bonanza, Sahar Plaza Complex, J B Nagar, Andheri Kurla Road, Andheri East, Mumbai-400059. Tel No. +91-22-4120 / 4837 E-mail ID: navi.gant@navi.gantcorp.com
Name of Statutory Auditor and contact details	M/s. Bharat H. Shah & Associates Chartered Accountants Address - Off. No. 2B, Parekh Towers, 'B', Above Ashoka Airtel, Fatima Nagar, Pune-411013 Membership No. - 110878 FRN: 122100W Tel No. 9822541030 E-mail ID: cabharat.2707@gmail.com
Name of Registrar	Satellite Corporate Services Private Limited
Self-Certified Syndicate Banks	Not Applicable



Syndicate Members	Not Applicable
Non Syndicate Registered Brokers	Not Applicable
Debenture Trustee	Not Applicable
Credit Rating Agencies	Not Applicable

PROMOTERS OF AVEER FOODS LIMITED

M/s Chordia Food Products Limited

M/s Chordia Food Products Limited was incorporated on 20th January, 1982 as a Private Limited Company, and subsequently the Company was converted into Public Limited Company vide special resolution passed on 1st December, 1985 and Fresh Certificate was obtained on 7th May, 1986. In the year 1992 the Company came out with public issue of 15% fully convertible debentures and the same were listed on OTC exchange of India after its conversion in to equity shares.

In the year 1994-95, the Company came out with further issue of Equity shares (Rights & Public) and the equity shares were listed on Pune, Bombay and Ahmadabad exchanges. On this the Company got de listed from OTC exchange of India. Subsequently the Company voluntarily got delisted from Pune and Ahmedabad stock exchanges. Currently the Equity shares of the Company are listed only on BSE Limited.

Main Business Activity of the Company:

To prepare, manufacture, market, trade, import, export, improve, sell Pickles and Spices such as Chillies, Pepper, Cloves, and Turmeric.

To prepare, manufacture, market, trade, import, export, improve, process, sell and carry on the business of canners, preservers, growers of vegetables, fruits, herbs, flowers, medicines, drinks, fluids and other fresh and/or preservable products and generally to carry on the manufacturing of Pickles, Chutney, Masalas, Mixtures, Vinegars, Ketchups, Juices, Squashes, Jams, Jellies, Custard Powder, Powder (edible), Drinks, Beverages, Gelatins, Essences, Ice creams, Milk preparations, Table Delicacies and other Eatables.

Presently Chordia Foods Products Limited holds 100% equity shares of the Resulting Company in it's own name and through Nominees to meet the requirement of the Companies Act., 2013 of Seven Members.

The details of the present nominee Shareholders of the Resulting Company are as under:-

Mr. Hukmichand Sukhlul Chordia

Mr. Hukmichand Sukhlul Chordia, aged 91 years, is Promoter of the Demerged Company. He is the Founder of Pravin Masalewale who has established this business with great efforts from scratch.

Mr. Rajkumar Hukmichand Chordia

Mr. Rajkumar Hukmichand Chordia, aged 64 years, is Promoter & Director of the Resulting Company. He holds the degree in Bachelor of Commerce and also completed MBA. He has Experience in the field of Management and administration of their entire Food Business. He is Director of the Company since its incorporation.

Mrs. Madhubala Rajkumar Chordia

Mrs. Madhubala Rajkumar Chordia, aged 64 years, She is graduate passed by qualification and is



having varied experience in Food Industry.

Mr. Vishal Rajkumar Chordia

Mr. Vishal Rajkumar Chordia, aged 43 years, is Promoter & Director of the Resulting Company. He is Post graduate in Business Management from Symbiosis Institute. He is having an experience more than 20 years, in marketing field. He looks after Strategy & Marketing of their entire Food Business.

Mr. Anand Rajkumar Chordia

Mr. Anand Rajkumar Chordia, aged 40 years, is Promoter & Director of the Resulting Company. He is Post Graduate in Food Technology and Nutrition from University of Auckland New Zealand. He is having an experience of 15 years, in food technology. He is heading Research & Innovation, Quality Assurance, Production and Raw Material Purchase of their entire Food Business.

Mrs. Shweta Vishal Chordia

Mrs. Shweta Vishal Chordia, aged 39 years, is Promoter of the Company. She is graduate passed by qualification.

Mr. Rikhab Dagdulal Lunawat

Mr. Rikhab Dagdulal Lunawat, aged 51 years, is Promoter of Resulting Company. He holds the degree in Bachelor of Commerce. He is Tax Consultant by Profession and he is having more than 20 years of experience.

Capital Structure of M/s Chordia Food Products Limited

Particulars	Amount in INR
Authorized:	
55,00,000 Equity Shares of Rs. 10/- each	5,50,00,000
Total	5,50,00,000
Issued:	
42,56,452 Equity Shares of Rs. 10/- each	4,25,64,520
Subscribed and Fully Paid-Up:	
40,28,252 Equity Shares of Rs.10/- each	4,02,82,520
Add: Share forfeiture	17,250
Total	4,02,99,770

BUSINESS MODE/ BUSINESS OVERVIEW AND STRATEGY

BUSINESS OVERVIEW OF AVEER FOODS LIMITED

BUSINESS OVERVIEW: Aveer Foods Limited was incorporated as on 11th April, 2019 under Companies Act, 2013. On 14th August, 2019 the Demerged Company i.e. Chordia Food Products Limited has acquired 100% shares of Aveer Foods Limited consequent to which Aveer Foods Limited has become Subsidiary Company.

MAIN OBJECTS:

To plant, grow, produce, manufacture, process, prepare, extract, formulate, refine, hydrolyze, grind.



bleach, cultivate, maintain, buy, sell, pack, repack, preserve, treat, import, export, and deal in Agricultural, Horticultural and Farm produce including food grains, pulses, rice, dals, Edible Oils, Cotton, Sugar, fruits, vegetables, plants, flowers, and Food Products manufactured and prepared thereof like flour, besan, wheat, rice, atta, hemp flax maize, starch, glucose, dextrose, paddy, sago, cereals, Ready to Eat Food Products, Drinking Mixes and Syrups, Pulps, Juices, Squashes, Jams, Jellies, Ketchups, Pickles, Papads, Spices, Chutney, Custard Powder, Bakery Products, Edible Powder, Drinks, Beverages, Ice- Creams, Food Substances, Food Concentrates, and Food Products, Health Products, Diet Food, including Soya Nuggets, Soya Lecithin, Raw Cashew and Cashew Cornel, Nuts, Dry Fruits, Baby Foods, Chocolates, Biscuits, Drinking Mixes, blended Tea, Coffee and other Drinks and to own, establish, run, maintain, manage processing centers, refineries and manufacturing, filtering and drying and Cold-storage Plants.

STRATEGY

- The object is to demerge food division of Demerged Company so as to enhance strategic flexibility to build a viable platform solely focusing of each of the business.
- The Demerger will result into expansion of the geographical reach and enter the large domestic market for growth opportunities of our business. Currently we have limited presence and we plan to deepen our presence in the existing market and expand our reach and penetrate into the large available market by giving scale down low price solution and grab major market share.
- The demerger will result into growing the business primarily by increasing the number of client relationships, as increased client relationships will add stability to our business. We seek to build on existing relationships and also focus on bringing into our portfolio more clients.
- To remain aggressive and capitalize a good market share, we believe in offering competitive prices to the-customers. This helps us to sustain the competition and claim a position of strength in the marketplace.
- A significant business strategy of ours is to undertake quality projects and timely project execution thereby maximizing customer satisfaction in all business segments.
- Upon the scheme becoming operative, the investment in shares held in Resulting Company as appearing in the Books of Accounts of Demerged Company shall stand cancelled and extinguished and result in Capital Reduction in the Resulting Company., to that extent. This would enable the shareholders of the Demerged Company to hold shares in the Resulting Company in the same proportion in which they currently hold shares in the Demerged Company.
- The Demerge would allow in creating the ability to achieve valuation based on respective risk-return profile and cash flow, attracting right investors and thus enhancing flexibility in accessing capital.

BOARD OF DIRECTORS OF AVEER FOODS LIMITED				
Sr. No	Name	DIN	Designation	Experience including current / past position held in other firms
1	Mr. Rajkumar Chordia	00058185	Director	Mr. Rajkumar Chordia , is Chairman of Pravin Masalewale the Family Partnership Firm which is already engaged in Food Masale and spices business since 1978.



BOARD OF DIRECTORS OF AVEER FOODS LIMITED				
Sr. No	Name	DIN	Designation	Experience including current / past position held in other firms
				Since then he has actively involved in the business of Pravin Masalewale. He has started the Company, Aveer Foods Limited as on 11th April, 2019 with an object of manufacturing and deal in agriculture, horticulture and Farm produce, food substances, food concentrates, health products etc. He was also associated with the Demerged Company in the Capacity as the Managing Director and knows the entire business of the Demerged Company. He has also established various companies in the field of Food, Farming, Education etc., and is also associated with non profit making Organisations. He is also associated with various social and charitable Associations like 1. Poona Hospital and Research centre- Trustee 2. Pravin Masalewale Trusts- Trustee 3. Kamalbai Hukmichand Chordia Charitable Trusts- Trustee 4. Hillside Gymkhana Pune- Trustee
2	Mr. Vishal Rajkumar Chordia	01801631	Director	Mr. Vishal Rajkumar Chordia, is having an experience of almost 20 years, in marketing field, basically in the Food business. He is a Strategy & Marketing Director of Pravin Masalewale the Family Partnership Firm which is already engaged in Food Masale and spices business since 1978. A third generation entrepreneur who is professionally managed food business with modern integrated spice products. He was appointed as a Director of the Resulting Company since incorporation.
3	Mr. Anand Rajkumar Chordia	00062569	Director	Mr. Anand Chordia, is technical head of Pravin Masalewale the Family Partnership Firm which is already engaged in Food Masale and spices business since 1978. He is responsible taken care of for Research& Innovation, Quality Assurance, Production and Raw Material Purchase. He was appointed as a Director of the Resulting Company since incorporation.



OBJECT PURSUANT TO THE SCHEME

The Demerger of the Demerged undertaking of the Demerged Company into the resulting Company is sought to be undertaken with the intent of realigning the business operations. Such demerger is in the interests of the shareholders, creditors and employees of each of the companies as it would result in enhancing strategic flexibility to build a viable platform solely focusing of each of the business of the Demerged Company and the resulting Company.

Details of means of finance –Not Applicable

Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues / rights issues, if any, of the Company in the preceding 10 years: Not Applicable

Name of monitoring agency, if any: Not Applicable

Terms of Issuance of Convertible Security: Not Applicable

Pre and Post Scheme Shareholding Pattern of Resulting Company is as follows:

Sr. No.	Particulars	Pre- Scheme No. of Equity Shares	% of Holding Pre-Scheme	Post- Scheme No. of Equity Shares	% of Holding Post-Scheme
(A)	Promoter & Promoter Group*	10,000	100.00%	29,13,885	72.34
(B)	Public	Nil	-	11,14,367	27.66
	Total	10,000	100.00%	40,28,252	100

* includes 7 (Seven) Nominee Shareholders holding 10 (Ten) share each on behalf of Demerged Company.

AUDITED FINANCIALS OF AVEER FOODS LIMITED

Amt in INR Lakhs

Particulars	Unaudited as on 30 th September 2020	FY 2019-20
Total Income from Operations (net)	9,96,146	0
Net Profit/(Loss) before Extraordinary Items and Tax	(19,37,976)	(12,84,906)
Net Profit/(Loss) after Extraordinary Items and Tax	(19,37,976)	(12,84,906)
Equity Share Capital	1,00,000	1,00,000
Reserves and Surplus	(32,22,882)	(12,84,906)
Net Worth	(31,22,882)	(11,84,906)
Basic Earnings per share (INR)	(193.80)	(128.49)
Diluted Earnings per Share (INR)	(193.80)	(128.49)
Return on Net Worth (%)	(62.05%)	(108.44%)
Net Asset Value per share	(312.28)	(118.49)

Please note:

1. Net worth is computed in accordance with section 2(57) of the Companies Act, 2013.
2. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of shares outstanding during the year;
3. Return on networth (%) is computed by dividing the net profit after tax by the net worth.
4. Since, the Company is incorporated on 11th April, 2019, Information for FY 2019-20 has been provided.



INTERNAL RISK FACTORS

- I. Implementation of the Scheme completely depends on the approval of Regulatory Authorities. Any modification or revision in the Scheme by the competent authorities may delay the completion of the process.
- II. Equity Shares to be issued pursuant to the Scheme by shall be listed on BSE Limited, which would be subject to approvals from the said Stock Exchanges.
- III. Company/ Group specific risk: Demerged Company is mainly a promoter holding company, hence any political instability or change in economic environment or change in liberalization and derogation policies could seriously harm business and economic conditions in India generally and business of the investee company particularly.
- IV. Our growth of the business is dependent on business opportunities which are under consideration, which has its own potential risk associated with it.
- V. We may face intense competition, and if we are not able to compete effectively, our business, results of operations and financial condition will be adversely affected.
- VI. We may fail to attract and retain enough sufficiently trained employees to support our operations, as competition for highly skilled personnel is intense and we experience significant employee turnover rates.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

- A. Total number of outstanding litigations against the company and amount involved: **NIL**
- B. Brief details of top 5 material outstanding litigations against the company and amount involved: **NIL**
- C. Regulatory Action, if any - disciplinary action taken by SEBI or Stock Exchanges against the Promoters / Group companies in last 5 financial years including outstanding action, if any: **None**
- D. Brief details of outstanding criminal proceedings against Promoters: **NIL**

ANY OTHER IMPORTANT INFORMATION OF AVEER FOODS LIMITED

- **Authority for the issue** – The Scheme was approved by the Board of Directors of Resulting Company and Demerged Company in their meeting held on 5th February, 2020. The Scheme is subject to approvals from the Shareholders, National Company Law Tribunal, Regional Director & Registrar of Companies.
- **Expert Opinion obtained, if any** – Fairness Opinion and Valuation Report
- **Material Contracts and Documents for Inspection:**
 1. Memorandum & Articles of Association
 2. Financial Statements & latest Shareholding Pattern
 3. Draft Scheme of Amalgamation
 4. Fairness Opinion pursuant for the Scheme
 5. Valuation report dated 4th February, 2020 by Haresh Upendra & Co, Chartered Accountants;
 6. BSE Observation letter dated 6th November, 2020.



DECLARATION BY AVEER FOODS LIMITED

We hereby declare that all the relevant provisions of the Companies Act, 2013 and the guidelines / regulations issued by the Government of India or the guidelines / regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in the Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued, as the case may be. We further certify that all statements in the Abridged Prospectus are true and correct.

FOR AND ON BEHALF OF BOARD OF DIRECTOS OF AVEER FOODS LIMITED



MR. RAJKUMAR HUKMICHAND CHORDIA
Director



MR. VISHAL RAJKUMAR CHORDIA
Director



MR. ANAND RAJKUMAR CHORDIA
Director

Date: 26/03/2021

Place: Pune



NAVIGANT CORPORATE ADVISORS LIMITED

Regd Office: 4118, Rustomjee Eaze Zone, Laxmi Singh Complex, Goregaon Mulund Link Road, Malad West, Mumbai-400 064, Tel: +91 22 2871 0553

Corporate Office: 423, A Wing, Bonanza, Sahar Plaza Complex, J B Nagar, Andheri- Kurla Road, Andheri (East) Mumbai-400 059; Tel: +91-22- 4120 4837 / +91 22 4973 5078

Email: navigant@navigantcorp.com; Website: www.navigantcorp.com
(CIN: L67190MH2012PLC231304)

Date: 26th March, 2021

**To,
AVEER FOODS LIMITED**

Plot 55/A/5 6, Hadapsar Industrial Estate,
Near Tata Honywell, Pune-411013

**To,
CHORDIA FOOD PRODUCTS LIMITED**

399 / 400, Plot No. 398, Shirwal, Sangavi Village,
Taluka Khandala, Satara, Maharashtra, 412801

SUB.: PROPOSED SCHEME OF ARRANGEMENT BETWEEN CHORDIA FOOD PRODUCTS LIMITED AND AVEER FOODS LIMITED AND THEIR RESPECTIVE SHAREHOLDERS UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013

Dear Sir / Madam,

We, Navigant Corporate Advisors Limited, SEBI Registered Category | Merchant Banker, having Registration No. INM000012243 have been appointed by Chordia Food Products Limited to provide a compliance report with respect to adequacy and accuracy of disclosures made in the Abridged Prospectus dated 26th March, 2021 (the "Abridged Prospectus") under the Proposed Scheme of Arrangement between Chordia Food Products Limited and Aveer Foods Limited and their respective shareholders under Sections 230 to 232 of the Companies Act, 2013.

Scope and Purpose of Compliance Report As required under the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, as amended from time to time, a compliance report has to be obtained from a merchant banker on the information to be disclosed in the Explanatory Statement to the Notice to be issued for National Company Law Tribunal convened meeting of the shareholders of listed company in line with information disclosed in abridged prospectus in terms of Part E of Schedule VI to the Securities and Exchange Board of India (issue of Capital and Disclosure Requirements) Regulations, 2018. The purpose of abridged prospectus is to inform the shareholders about the information / details of unlisted company, to the extent applicable, involved in the Scheme.



Sources of the Information

We have received the following information from the Management of Chordia Food Products Limited and Aveer Foods Limited:

1. Draft Scheme of Arrangement;
2. Disclosure in the format of Abridged Prospectus dated 26th March, 2021 prepared in accordance with SEBI Circular No. CFD/DIL3/OIR/2017/21 dated March 10, 2017;
3. Information / documents / undertakings, etc. provided by the Management of Chordia Food Products Limited and Aveer Foods Limited pertaining to the disclosures made in the Abridged Prospectus dated 26th March, 2021.

Compliance Report

1. As required under the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, as amended from time to time, we have examined the disclosures made in the Abridged Prospectus issued by Aveer Foods Limited, which shall form part of the explanatory statement to the Notice to be issued by Chordia Food Products Limited.
2. Accordingly, we confirm that the information disclosed in the Abridged Prospectus contains all applicable information required in respect of unlisted entity involved in the Scheme, i.e. Aveer Foods Limited, in the format specified for abridged prospectus as provided in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

Thanking You,

For Navigant Corporate Advisors Limited



Sarthak Vijlani
Managing Director

Date: 26th March, 2021

Place: Mumbai