Mrs. Bector's

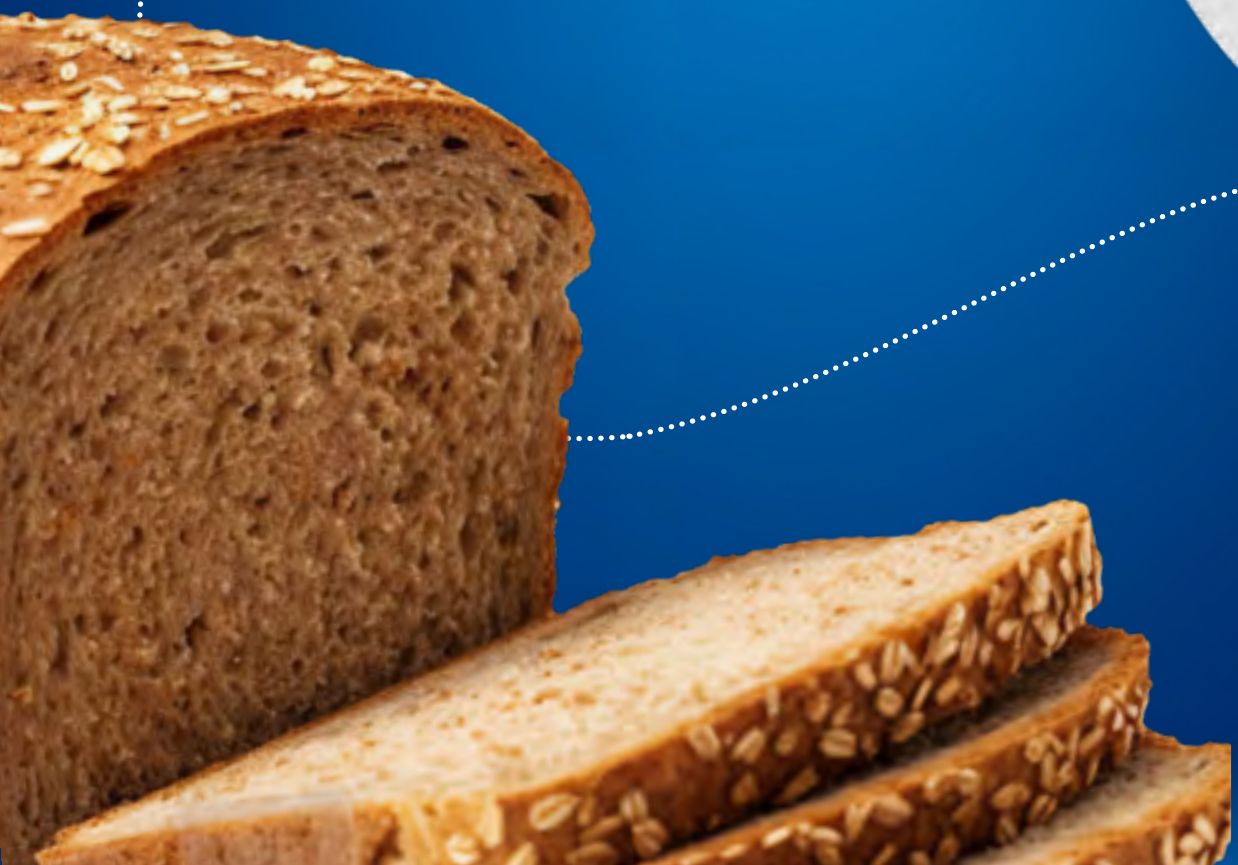
MRS. BECTOR'S CREMICA

ENGLISH OVEN

Mrs. Bectors Food Specialities Limited

ANNUAL REPORT 2022-23

Magic of Baking!



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Our Strategic Growth Levers

- Capacity expansion
- Distribution network fortification
- Increasing international presence
- Expanded leadership bandwidth
- Strengthening supply chain management
- Innovation and new product development
- Integrated sales and marketing
- Sound credit ratings
- Technological upgradation
- Deepened QSR partnerships

Stock Market Tickers

BSE: 543253
NSE: BECTORFOOD

Dividend

₹ 3.00 per equity share, including ₹ 1.25 interim dividend and ₹ 1.75 as final proposed dividend





Magic of Baking!

Mrs. Bectors Food Specialities Limited (MBFSL) is one of the leading companies in the premium and mid-premium biscuits segment under the "Mrs. Bector's Cremica" brand and is the largest exporter of biscuits from India. The Company is also a leading premium bakery player under the "English Oven" brand, which is also amongst the fastest growing premium bakery brand in India.

MBFSL intends to remain ahead of the curve through its focused strategy across both its business segments. While the benefits of its revamped strategy in the biscuits segment for its international market will continue, helping amass market share and revenue gains, the domestic market also presents steady growth opportunity on the back of the overall premiumization trend.

Thus, MBFSL is well-poised to gain from the large opportunity in the biscuits and bread and institutional bakery businesses. Further, with a strong presence in north India, the Company is well-positioned to scale up its distribution and expand its footprint to other regions and geographies, thus capitalizing on the growth upturn in the consumer and food services space in the country.



Financial Reporting Approach

Our Reporting Approach

This report covers our financial and operational performance for the period 1 April 2022 to 31 March 2023. Through this report it is our sincere effort to keep our stakeholders abreast of key developments, programs and initiatives, market challenges, our achievements, mid to long-term direction, and the overall health of our operations in the financial year 2022-23 in our business segments.

The report also presents insights and forward-looking expectations on financial position and performance for the year ahead. Our financial statements are independently audited and provide transparent disclosure of our financial performance.

Our initiatives in business sustainability have been prepared to provide our stakeholders with an objective view of our economic, social, governance and environmental performance in a transparent and easy-to-understand manner.

This report is intended to address the information requirements of investors and shareholders. We also present information relevant to how we create, preserve and sustain value for other key stakeholders, including our employees, customers, regulators and society.

Supporting the SDGs

We report on the sustainable development actions and investment we have made in support of our purpose-led impact and our contribution to the Sustainable Development Goals (SDGs).





Online version
Please help us save the environment by reading this report online. Online version of this report can be downloaded from our corporate website:

www.bectorfoods.com

Feedback
We welcome your feedback on our Annual Report. Please write to us at:

parveen.goel@bectorfoods.com

Forward-looking statements
The report contains statements that relate to MBFSL's future operations and performance. These statements can be identified by the usage of words such as 'believes', 'estimates', 'anticipates', 'expects', 'intends', 'may', 'will', 'plans', 'outlook' and other words of similar meaning in connection with a discussion of future operating or financial performance. These forward-looking statements are contingent on assumptions, data or methods that may be inaccurate or imprecise and hence are not guarantees of future operating, financial and other results. They constitute our current expectations based on reasonable assumptions. The company's actual results could materially differ from those projected in any forward-looking statements due to various future events, risks and uncertainties, some of which are beyond our control. The company does not assume any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.



A Rich Legacy



- Lifetime Achievement Award' and 'Pride of Punjab' by Global Achievers Forum, ***in 2017***
- Felicitated by SBI for outstanding achievement as an entrepreneur and serving as a role model for women, ***in 2017***
- 'Woman of Excellence' from FICCI Ladies Organisation, Ludhiana, ***in 2014***
- 'Outstanding Woman Entrepreneur' by Small Industries Development Bank of India, ***in 2010***
- 'Hall of Fame 2010, The Premier League' by the Human Factor, ***in 2010***
- Award for Excellence from FICCI Ladies Organisation, Ludhiana, ***in 2009***
- Conferred with the prestigious Padma Shri award for contribution to trade and industry ***in 2021***

I could never have imagined what started out as a small backyard bakery has transformed into one of India's leading biscuits and bakery brands loved by consumers and providing employment to hundreds of people.

What gives me immense pleasure is how we have been able to connect to the varied requirements of a diverse set of consumers that have different expectations from our products. We today serve not just retail customers who buy our biscuit and bakery products as everyday consumption items, but also almost all national QSR brands that have stringent product, manufacturing and distribution standards. Further, we are also India's largest exporter of biscuits, gaining acceptability in 69 countries around the world and supplying to prominent retail chains, distributors and buying houses.

While we are truly ahead of the curve, we are far from being satisfied. In fact, our new-age leadership is pushing ahead with expanding our growth horizons, and I am confident that with the support of all our stakeholders our company will continue to reach newer milestones.

Padma Shri Rajni Bector
FOUNDER, MRS BECTORS FOOD SPECIALITIES LIMITED



Mrs Bectors Food Specialities Limited (MBFSL)

is a leading biscuit and bakery player and an entrenched part of the consumption story

MBFSL is a major player in the premium and mid-premium biscuits segment under the "Mrs. Bector's Cremica" brand and has products such as digestives, cookies, crackers, cream and Marie biscuits in its portfolio. It is also the country's largest biscuit exporter, exporting to 69 nations in six continents. The company is a contract manufacturer of select biscuits (Oreo and Chocobakes) for Mondelez.

The company is also a premium bakery player in India and the exclusive preferred supplier to many of the country's well-known QSR franchises, cloud kitchens and multiplexes.

The company has a diverse product portfolio across its biscuit and bakery brands, encompassing premium and mid-premium products with a continuing emphasis on new product development. It has a modern pan-India distribution network that enables it to reach even the farthest corners of the country.

Having built a strong presence, especially in organised retail, the company's business is growing through modern trade and e-commerce, in line with the country's formalization of the fragmented retail trade environment and consumer appetite for distinguished and differentiated products.

MBFSL's leading brands in the biscuits and bakery segment

MRS. BECTOR'S CREMICA®

ENGLISH OVEN®



Managing Challenges, Paving the Path to Sustainable Progress



"The year in report was a remarkable one for Mrs. Bectors Food as we continued to break our historical operational and financial records in our quest to deliver superior performance to our shareholders."

Anoop Bector
MANAGING DIRECTOR

Dear shareholders,

I take pleasure in writing this statement to share with you some of the highlights of our progress in 2022-23.

The year in report was a remarkable one for Mrs. Bectors Food as we continued to break our historical operational and financial records in our quest to deliver superior performance to our shareholders. I am satisfied with the overall results of the company for the year, with a record turnover and net profit of ₹ 1,362.1 crore and ₹ 90.1 crore, respectively, up by 37.8% and 83 basis points, respectively, compared to 2021-22.

Our fortified performance was delivered by product portfolio optimization and premiumization efforts, coupled with strengthening brand equity, enhancement in distribution touchpoints, extension of direct reach, and responsible pricing action that aided in offsetting inflation pressure during the year.

India Resilient Amid Global Turbulence

The fiscal year 2023 was a turbulent one for the global economy, beginning with geopolitical upheavals with Russia's unprovoked invasion of Ukraine and the lingering effects of the pandemic, which caused skyrocketing inflation all over the world. Central banks reacted by tightening monetary policy and progressively eliminating the accommodative stance during the pandemic's outbreak. Growth began to decelerate, albeit more slowly than expected. Towards the end of the financial year, there was concern about banking contagion after a run in on a couple of US banks.

Amid this global scenario, government action, regulatory supervision, and a large domestic consumption-oriented market helped support India stay robust in the face of macroeconomic adversity, with the country emerging as the best-performing large economy in the world. The IMF labelled India as a "bright spot" in the global economy once again, and with 7.2% GDP growth as reported by the CSO (Central Statistical Organisation) for 2022-23, India proved deserving of the designation once again.

Food Services Consumption Demand

With strong and sustained economic growth, India exhibits immense potential in its food consumption space. Further, growth in household income, urbanization, and substantially low per capita consumption across food categories demonstrates the potential of the unfolding consumption story.

Mrs Bectors Food is a leading player in premium and mid-premium biscuits, and is also India's largest biscuit exporter. We produce and sell a variety of biscuits under the 'Mrs. Bector's Cremica' brand. Moreover, our bakery brand 'English Oven' is one of India's fastest growing premium bakery brand. We have been able to carve a niche for our products despite very high competition from both organised and regional players which has been an outcome of our continuous focus on quality, innovation, range and access.

We have been able to successfully build a premium positioning for our brands and this has enabled us to stand strong, especially amidst market downcycles and acute economic challenges such as high inflation.

The company has a wide range of products under both its Cremica and English Oven brands, thus providing unparalleled choice to consumers and enabling effective positioning in a competitive market. The domestic market that is on the premiumization trend with customers upshifting to premium and mid-premium branded products places the company well by offering continuous product and market development potential for its niche and differentiated varieties.

Enabling Holistic Business Transformation

We have managed to stay ahead of the curve by continuing to invest in our brands and ensuring strong execution of our expansion plan across biscuits and bakery segments. Domestic business growth is driven majorly by distribution expansion in existing and new markets, synergized by marketing campaigns and consumer promotions for both the businesses.

We continue to build our manufacturing capacities to service demand and further build on our growth potential. We expect to commission our incremental capacities for both biscuits and bakery later in the current financial year that will support us to accrue gains in both market share and revenue.

The company has achieved significant growth in its financial performance during the year under review, driven by strong growth across categories and this is the testimony of our efforts of building a robust leadership team, driving operational efficiencies, strengthening our distribution reach, and ensuring more effective marketing, sales and customer outreach.

The company has increased share of its premium biscuits portfolio during the year and has also added many innovative products to the portfolio, like Melto biscuits in premium creme flavours, etc. We will continue to augment our manufacturing capabilities to make such products available across relevant high-consumption points. We are also continuing to invest in improving our distribution infrastructure, especially in modern trade and emerging distribution channels such as e-commerce.

The company caters to a wide variety of retail customers in the bread and buns segment, especially by introducing new niche product variants such as rusk in English Oven and gourmet breads such as focaccia, sourdough, etc. We are focusing on expanding our distribution network by enhancing penetration in Tier-1 and 2 cities that are especially major consumption centres of premium and artisanal bakery products. Being one of the largest and preferred suppliers to leading food chains, we further expect to benefit from strong QSR demand, especially driven by more frequent eating-out habits and group eating in a social setting such as in quick service restaurants (QSRs).

Going forward, we have identified our key growth levers and will build them out that will not only enable us to achieve continuous business transformation but, in the process, enable sustainable value creation for our shareholders too. These include developing a robust leadership team; optimising distribution, marketing, capacity planning and supply chain; new product development; technological upgradation; exports and international presence; and further deepen QSR and other institutional relationships.

Unlocking People Potential

Empowering our employees is a key part of cultivating a high-performance culture and we prioritise motivating our employees to be the best they can be. Our approach to empowerment is by creating a rewarding environment in which our people feel motivated and capable of taking meaningful action to push the organisation forward, guided by our purpose and values.

The year 2022-23 was a significant one for our Human Resource Division (HRD) as we embraced various initiatives that were fundamental to the development and sustainability of the organization. Throughout the course of the year, HRD undertook a number of major initiatives aimed at fostering trust and communication, in addition to upskilling and learning and development. One of the other key areas was digitisation of processes such as KPI management, payroll, etc., that will enable us to build a stronger foundation in resource management.

Going forward, we will have a continuous focus on tending to a people culture that places the highest attention to meritocracy, safety, inclusivity and opportunity for all, thus ensuring a springboard for leap into the next level of our organisation.

Closing Remarks

The most notable aspect of financial year 2022-23 has been the company overcoming the challenges that surfaced due to inflation, supply bottlenecks and tepid demand, and yet emerging more determined to achieve its goals. Our resilience is the result of many factors, not least being a shared vision and values.

I would like to acknowledge the contributions of our Board members, our senior management team, and all employees for coming together and further building the company into an organisation we can all be proud of.

I would also like to thank all our stakeholders – customers, network partners and regulators. To our shareholders, I thank you for your conviction in us. We are taking all steps to further unlock value for you over the long-term.

Anoop Bector
MANAGING DIRECTOR

Dependably on track

MBFSL delivered a record financial performance in a challenging operating environment, comprising inflationary pressures and subdued sentiment. The company's strong brand equity, continuous focus on portfolio premiumization, expansion of direct distribution reach, and strategic pricing action helped deliver a strong operational and financial performance for the year. In recognition of its dependable operating model and sound growth outlook, the company was able to reaffirm its short-term and improve its long-term ratings (assigned by ICRA).

Revenue
₹ 1,362.14 crore
37.8% YOY GROWTH

Gross profit
₹ 608.05 crore
39.1% YOY GROWTH

Gross Profit Margin
44.6%
41 BPS GROWTH

EBIDTA
₹ 175.20 crore
43.0% YOY GROWTH

EBIDTA Margin
12.9%
46 BPS GROWTH

Net Profit
₹ 90.7 crore
57.6% YOY GROWTH

Net Profit Margin
6.6%
83 BPS GROWTH



Marketing Campaigns

MBFSL launched integrated marketing campaigns under the new identity of “Mrs Bectors” logo for ensuring synergisation across the Cremica and English Oven brands.





















BOTH OUR BISCUITS AND BAKERY SEGMENTS HAVE THEIR OWN

UNIQUE STRENGTHS AND ARE WELL-POISED FOR ACCELERATED growth



Mrs Bectors Food Specialities Limited | Annual Report 2022-23

Biscuits

- Domestic sales under ***Mrs. Bector's Cremica***
- Exports under ***Mrs. Bector's Cremica*** and private label

PERFORMANCE REVIEW

Biscuit segment (Domestic and exports):

59.25%
Total revenue share in FY2023

36%
Revenue growth in FY2023 to ₹ 807 crore

KEY STATS

– DOMESTIC

5.4%
Premium/mid-premium biscuit market share in North India (Q4 FY2023)

1,180+
Distributors

490+
Super-stockists

580,000+
Retail outlets

3,200+
Preferred outlets

34
Supplying to CSD locations

KEY STATS

– EXPORT

12%
Share of total biscuit exports from India (CY2019)

69
Export countries



Bakery

- Retail breads and bakery under ***English Oven***
- Institutional bakery – Buns and premium frozen products

PERFORMANCE REVIEW

Bakery segment (Retail and institutional):

35.75%
Total revenue share in FY2023

44%
Revenue growth in FY2023 to ₹ 487 crore

KEY STATS

– CONSUMER BAKERY

5%
Market share in branded breads segment in India

600+
Distributors

35,000+
Retail outlets

9
Presence in key states

KEY STATS

– CONSUMER BAKERY

11%
Market share in semi-processed and dough-based offerings (FY2020)

Preferred supplier
having relationships with leading international QSRs, multiplex chains and cloud kitchens for burger buns, muffins, garlic breads, etc.



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Building Stakeholder Trust

Continuous and sustained involvement with our diverse stakeholders is essential for mutually beneficial understanding and long-term relationships.

We believe that knowing the perspectives and expectations of our stakeholders allows us to recognise risk and opportunities, strike a balance between competing interests, and make informed decisions. Such engagements also provide us the prospect to connect proactively with our stakeholders and obtain useful input on our activities.

Underpinned by a distinct management philosophy for each stakeholder group, we have devised varied stakeholder engagement solutions to connect with our stakeholders in a meaningful and continuing manner.

Methodology for Stakeholder Engagement

Stakeholders	Management Approach	Matters Relevant to Them	Our Response	Key Priorities	Capitals Impacted
CUSTOMERS	Uphold the customers' right to safe, hygienic and high-quality food products that are certified by relevant authorities.	• Customer service • Satisfaction on products • Market reputation • Convenience in terms of access • Innovation and new products • Access to multiple touchpoints	• Service excellence • Tech-driven distribution solutions • Innovative products • Expanding touch-points, including via modern and e-comm channels	• Ensure product safety • Expand product portfolio • Launch new premium products and varieties	*Manufactured Capital* Read more on pg 24 *Social and Relationship Capital* Read more on pg 30
SHAREHOLDERS/ INVESTORS	Ensuring long-term value and upholding the rights of the shareholder and investor, and supporting a broader shareholder community.	• Maintaining strong financial position and risk profile • Ensuring high-quality governance and policy alignment • Regular communication and updates • Strategy and business continuity • Performance and conformance	• Maintaining profit consistency • Ensuring sustainable returns • Maintaining governance standards and codes • Sustaining organisational reputation	• Financial resilience • Taking responsible pricing action to mitigate inflation risks • Managing liquidity and discretionary cost amid the challenges	*Financial Capital* Read more on pg 22 *Intellectual Capital* Read more on pg 28 *Social and Relationship Capital* Read more on pg 30
COMMUNITIES AND SOCIETY	Prioritising our sustainability focus with emphasis on community empowerment.	• Capacity building • People empowerment • Social welfare of communities • Environmental protection • Donations and contributions	• Socially-responsive CSR model • Community engagement and trust-building • Need-based assistance	• Integrate social responsibility in business planning • Livelihood development opportunities • Alleviating myriad local-level challenges	*Social and Relationship Capital* Read more on pg 30
REGULATORS	Ensure compliance with all legal norms and regulatory requirements.	• Prompt action on regulatory updates • Internal policy in line with regulatory objectives	• Impact on the real economy comprising small businesses, SMEs, etc. • Supporting sustainable growth and employment • On-time regulatory submission • Contribution at meetings/forums to regulatory initiatives	• Playing a part in nation-building • Compliance with all regulations and norms	*Financial Capital* Read more on pg 22
EMPLOYEES	Commitment to a conducive environment for employees to develop and reach their full potential.	• Ethical employment practices • Career progression opportunities • Employee feedback • Rewards and recognition • Safety and well-being	• Rewards and recognition • Attract and retain the best talent • Promote DEI principles • Develop leadership bandwidth • Foster collaboration and team spirit	• Career progression and long-term prospects • Opportunities for growth and expertise development	*Human Capital* Read more on pg 26

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01

Maintaining a Sound and Stable Financial Profile

Review

Financial Capital refers to the key financial components that together ensure the organisation has adequate capital and liquidity to continue as a going concern.

MBFSL delivered a milestone performance in 2022-23 on the back of strong growth achieved across both its business segments. This was due to the company focusing on its growth levers to achieve continuous business transformation that not only led to superior financial performance but also sustained shareholder value.

In addition to the company distributing an interim dividend of ₹ 1.25 or 12.5% on each fully paid-up equity share of face value of ₹ 10 in February 2023, it has also proposed a final dividend of ₹ 1.75, thus taking the total dividend to ₹ 3.00 per share or 30% for the year 2022-23.

The company's robust 2022-23 segmental performance shows a glimpse of the future potential of the businesses.

Biscuits segment revenue (domestic, exports and CSD) for FY2023 stood at ₹ 807 crore, vs. ₹ 592 crore in FY2022, registering a 36% growth. Bakery segment revenue (retail bakery and institutional segment) for FY2023 stood at ₹ 487 crore, against ₹ 339 crore in FY2022, recording a 44% growth.

Impact to business and stakeholders

- Enables sustainable investment to expand manufacturing and distribution to grow market share
- Augments brand reputation and supports the company in maintaining/upgrading external credit ratings
- Provides resources to develop new innovations and products
- Improves the organisation's people development capabilities

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02

Manufacturing

Products under the Highest Quality and Regulatory Standards

Review

MBFSL's Manufactured Capital is represented by state-of-the-art machinery from top OEMs from Denmark, Germany, USA and Italy that not only enables production in a controlled and regulatory-compliant environment, but also ensures product quality and consistency that helps meet brand expectations and builds market credibility.

An overview of our manufacturing assets is given below:

Biscuits

PHILLAUR, PUNJAB
- Biscuits: **27,000** MTPA
- Contract manufacturing: **27,000** MTPA

RAJPURA, PUNJAB
- Biscuits: **25,200** MTPA
- Contract manufacturing: **4,560** MTPA

TAHLIWAL, HIMACHAL PRADESH
- Biscuits: **34,200** MTPA

Bakery

GREATER NOIDA, UTTAR PRADESH
- Bread and bakery: **118** mn packs per annum
- Buns: **324** mn packs per annum
- Frozen products: **14** mn packs per annum

KHOPOLI, MAHARASHTRA
- Bread and bakery: **17** mn packs per annum
- Buns: **162** mn packs per annum

BENGALURU, KARNATAKA
- Breads and bakery: **11** mn packs per annum
- Buns: **81** mn packs per annum

As part of our focus on capacity planning, we are making significant investment to establish new manufacturing facilities that will reinforce our existing capacities and enable us to serve a wider market and consumer base. These include:

- Addition of two new biscuit lines at Rajpura (commissioned in Q2 FY2024)
- Establishment of a greenfield biscuit plant in Madhya Pradesh (expected commissioning by Q3 FY2025)
- Establishment of a bakery plant in Khopoli (expected to be operationalised by Q3 FY2025)
- Expansion of bakery capacity through a bakery plant in Bhiwadi (expected commissioning by Q3 FY2024)

Impact to business and stakeholders

- Enables the company to grow customer/consumer relationships and market share
- Improves visibility and strengthens brand credibility and reputation
- Builds trust among customers and the wider community
- Supports job creation, thus enhancing the employee value proposition

MBFSL certifications

FDA, fssai, SMETA, BRC FOOD CERTIFICATED, FSSC 22000

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03

Focused

on Digitalisation for Enabling Workforce Transformation

Review

At MBFSL, we have always felt that a specialist, diverse and transformed workforce that is representative of the broader society is essential for maintaining our competitive edge.

Our talent strategy is to recruit, motivate, engage and delight critical-skilled personnel while continuously reskilling our employees for relevance in a dynamic environment. We offer diversity, empowerment, meritocracy and inclusion, and our dedication to workforce development and establishing a feeling of belongingness for all is visible in our growth and development initiatives.

Our focus on our operational model, organisational structure and staff composition enable the digital transformation of our business. This will increase efficiency, lower costs and enable increased agility and speed necessary for effective response to competition. Further, with a keen emphasis on leadership excellence, we successfully completed crucial leadership-level recruitments that are set to bolster our growth strategy and enhance our competitive edge.

Our near-term focus is to choose the right individuals and place them in the right roles, especially in light of the organisation's expanding digitisation horizons. We will also ensure that employee skills continue to improve and grow in tandem with the times as we focus on the future-readiness of our workforce.

Impact to business and stakeholders

- Strengthens the company's ability to grow revenue generation
- Augments the company's competitive edge and enhances employment position against peers
- Reinforces the connections between the company and its consumers/customers
- Ensures optimal utilisation of available resources with high productivity

04

Building on our Unique Attributes that Sharpen our Marketplace Edge

Review

As a consumer-facing brand, our distribution network is a key part of our intellectual capital, which ensures customer touchpoints and market/consumption access. It also comprises our focus on technological upgradation, innovation and new market development.

On the distribution front, we have made investment in an automation tool that allows the company to track and monitor its distribution network on a real-time basis. This has a positive impact on inventory tracking and management, ensuring sales efficiency and continued product availability.

In biscuits segment, we are strengthening direct distribution to cover 1,180+ distributors and are also increasing feet-on-street to 900+ personnel. Furthermore, we have an outreach to 265+ districts and have a presence in 5.8 lakh+ retail outlets. With strong experience in distribution, we are now focusing on expansion into south and west markets covering 18,000+ outlets. We are also strengthening presence in top category outlets through our CPO program, which is a loyalty program. We are also training and upskilling to nurture our internal talent and develop a strong sales network.

On the marketing side, we launched integrated marketing campaigns under the new identity of "Mrs. Bectors" logo for synergies across both the brands. We also initiated a CSR property "Goodness Together" on the occasion of Women's Day, thus becoming a part of consumers/society.

We are also looking to increase the share of premium products in both the biscuits and bakery segments and this was achieved with the launch of Melto in premium creams biscuits, rusk in English Oven, and gourmet breads like sourdough, focaccia, etc.

We are building continuous outreach to our target market through 360-degree marketing campaigns leveraging cricket, outdoor media in top cities, print advertising, digital as well as CPO visibility. We also launched a marketing campaign around the Diwali gifting season to strengthen brand equity and also participated in melas and haats in upcoming territories to create deeper brand inroads.

Impact to business and stakeholders

- Enhances competitive position of brands
- Drives operational efficiency and better utilisation of assets
- Builds trust among customers/consumers and the wider community
- Strengthens employee dedication and commitment to goals



05

Forging

Relationships based on Partnerships

Review

We are focusing on stakeholder engagement through multi-pronged initiatives to drive business growth and create value for the ecosystem.

As part of this, we are enhancing our international presence through increasing penetration in select export markets such as south, central and north America, the MENA region, and Australasia. We have also established a subsidiary in the UAE to cater to MENA and other African markets. The focus remains on building the Cremica brand, increasing premiumization, and reinforcing our distribution network.

As part of sustaining market excitement and building consumer relationships as a preferred brand, we are at the forefront of introducing new and innovative products across different categories. We have a dedicated facility led by our R&D Head and consisting of in-house chefs, which places us in a strong position to capitalise on the shift in consumer tastes and preferences. Further, synergies and learnings from our international business is also fueling our new product development strategy.

On the bakery side, we are introducing category-leading products such as frozen buns, dessert jars and brownies in the domestic retail segment. Further, Experience Centers like 'Bake Walk' help gauge real-time consumer preferences.

On the institutional bakery front, addition of more QSR partners like Subway enable us to go deeper into the markets and serve a large consumer set. Further, dedicated innovative lines for manufacturing buns, desserts, pizzas, garlic breads, croissants, etc., enable us to meet market demand in a timely manner.

Impact to business and stakeholders

- Creates the ecosystems for the company to sustain and grow its core businesses
- Reinforces the brand position in national and international markets
- Provides impetus for timely and relevant improvements to digital-physical channel architecture
- Helps to invest in more effectively building resource capacity and capability

Building Relationships based on Partnerships

During 2022-23, our CSR activities focused on the basics of society, such as healthcare through donation of an ambulance and other medical equipment, and distribution of sanitary pads and other women health and hygiene related resources, especially in rural areas.

In another major initiative of the year, we acquired land for ITI Phillaur under CSR that will impart livelihood and occupational skills to the youth, thus fostering local employment.

















Our Board

Our eminent Board of Directors hold the necessary skills, experience and expertise relevant to the sectors in which the company operates, enabling it to effectively set the strategic direction and purpose of the company and measure results.



MR. ASHISH AGARWAL

CHAIRMAN AND INDEPENDENT DIRECTOR

- Board member since February 10, 2023
- Appointment as Chairman of the Board on February 10, 2023

Mr. Ashish Agarwal is B.Com, FCA, CPA (USA), DISA. He is a Practicing Chartered Accountant since 1991. Currently, he is the President of District Taxation Bar Association (Direct Taxes), Ludhiana, a body of around 600 professionals practicing in the field of income tax. He has completed certificate course on Forensic Audit & Fraud Detection, Valuation and Concurrent Audit conducted and certified by ICAI. He was a Public Nominee Director of LSC Securities Ltd from August 2011 to March 2015 and former Treasurer of Sutlej Club, Ludhiana. He is also an Insolvency Professional since October 2017 and is empanelled with Punjab National Bank (PNB) and is currently handling insolvency matters on behalf of PNB.

SPECIALTY:

- Finance and taxation
- Insolvency matters
- Management and administrative matters



MR. ANOOP BECTOR

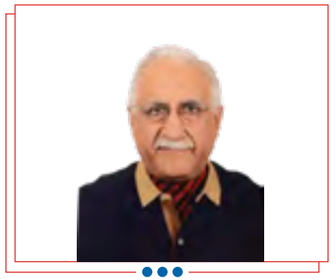
MANAGING DIRECTOR

- Board member since Company's incorporation on 19 September 1995

Mr. Anoop Bector holds a bachelor's degree in commerce from Satish Chander Dhawan Government College, Panjab University. He also completed a training programme on international supply chain management, conducted by McDonald's in Singapore in 2001. He was awarded the 'Business Knight of Punjab' by The Economic Times in 2015. He was appointed as a non-official member of the board of management of Punjab Agricultural University, Ludhiana, on June 25, 2018.

SPECIALTY:

- Business experience of over 25 years
- Specialist knowledge of supply chain and trade marketing
- Regulatory and stakeholder liaison
- Strong leadership skills



MR. MANU TALWAR

CHIEF EXECUTIVE OFFICER

- Appointed as Chief Executive Officer w.e.f. May 02, 2022

Mr. Manu Talwar has over 30 years of proven business leadership experience in profitable business expansion, operations and general management, primarily in the consumer facing industry. He is a Chartered Accountant who became a CFO, gaining experience in business both at Voltas and Pepsi. The role of establishing business processes during his early days at Coca-Cola India as they acquired bottlers gave him an opportunity to take up the business head role in Coca-Cola. He has also led businesses in Coca-Cola, Airtel and Viom during their high growth phase. He also had the opportunity of managing tough times at Coca-Cola (pesticide scare, 2003), Viom (telecom license cancellation, 2012) and successfully managed business turnaround and transformation. Mr. Talwar has also led a family-run business at Luxor as CEO with impressive growth in market and financial indicators while transitioning the company from family managed to a professionally driven enterprise. He also has the experience of working with Lenskart as a part of the start-up's growth journey.

SPECIALTY:

- Business leadership experience of over 30 years
- Business strategy and growth
- Commercial and finance
- Human resource management
- Relationship / stakeholder management



MR. ISHAAN BECTOR

WHOLETIME DIRECTOR

- Board member since February 15, 2016

Mr. Ishaan Bector holds a bachelor's degree in arts from Michigan State University, USA, and attended a management programme for family business from the Indian School of Business. He currently holds the position of 'Director – Breads', heading the breads and bakery business of the Company.

SPECIALTY:

- New-age leadership experience
- Strong knowledge of supply chain
- Customer liaison



MR. SUVIR BECTOR

WHOLETIME DIRECTOR

- Board member since April 1, 2021

Mr. Suvir Bector graduated with bachelor's degree in arts with honours in management with marketing from the University of Exeter and has a master's in global supply chain management from Cass Business School, City University, London.

SPECIALTY:

- New-age leadership
- Specialist knowledge in marketing and supply chain
- Customer liaison



MR. PARVEEN KUMAR GOEL

WHOLETIME DIRECTOR

- Board member since May 1, 2008

Mr. Parveen Kumar Goel holds a bachelor's degree in commerce from S.C. Dhawan Government College, Ludhiana, Panjab University. He is a qualified chartered accountant from the Institute of Chartered Accountants of India.

SPECIALTY:

- Finance and taxation
- Stakeholder liaison

Our Board



MR. RAJIV DEWAN
INDEPENDENT DIRECTOR

- Board member since July 10, 2018

Mr. Rajiv Dewan is a fellow member of the Institute of Chartered Accountants of India and is a practicing Chartered Accountant. He has over 25 years of experience in taxation and business restructuring consultancy. He is currently a partner in R. Dewan & Co., Chartered Accountants, Ludhiana. In the past, he has served as a director in various companies, including JSW Vallabh Tinplate Private Limited, Punjab Communications Limited, Trident Aerospace Limited, Trinetra Technologies Limited, Trident Powercom Limited, Trident Brokers Limited, Trident Research Limited and Trident Brands Limited.

SPECIALTY:
- Finance and taxation
- Strategic business stewardship



MRS. POOJA LUTHRA
INDEPENDENT DIRECTOR

- Board member since September 19, 2020

Mrs. Pooja Luthra holds a bachelor's degree in Commerce from Jesus & Mary College, Delhi University, master's degree in arts - industrial/organisational psychology from Chicago School of Professional Psychology, and a post-graduation diploma in business administration – global business operations from Shri Ram College of Commerce, Delhi University. She has over 17 years of experience as a consulting specialist. She is also associated with Trident Limited as a director on their board.

SPECIALTY:
- Business transformation
- Human resource development



MR. ALOK KUMAR MISRA
INDEPENDENT DIRECTOR

- Board member since February 11, 2022

Mr. Alok Kumar Misra holds a Masters in Statistics, Post-Graduate Diploma in Personnel Management from FMS, Delhi University and CAIIB. He is also a fellow member of Certified Institute of Bankers of Scotland, Zambian Institute of Bankers, and an associate member of Australasian Institute of Banking & Finance. He started his career as a probationary officer in Bank of India and went on to have an illustrious professional innings spanning over 38 years in the banking industry, during which he headed various banking operations, including as in-charge of Bank of India's international operations as its General Manager (International), as a Managing Director of Indo-Zambia Bank Ltd and as Executive Director of Canara Bank. Throughout his career, he has been known as a dynamic leader and a true team-person.

SPECIALTY:
- Finance, banking and accounting
- Management and administrative matters

Management Discussion and Analysis

Global Economic Scenario

The fiscal year 2022-23 will go down in history as the year of paradoxes. The waning of the increase in the virulent disease coincided with a major unplanned occurrence in the form of the Russia-Ukraine war, which has subsequently morphed into a major worldwide geopolitical confrontation. Following escalation on the Taiwan/Korean peninsula, global energy and commodity prices have become even more volatile.

Central banks have acted in lockstep, hiking key policy rates to combat sticky inflation. During the year, benchmark rates and equities remained volatile. Despite evidence of lowering inflation and a slowdown in job opportunities, there are no indicators of a firm shift in the pivot by central banks in advanced economies (AEs) towards an interest rate regime reversal.

The failure of certain mid-tier banks in the United States in March 2023 exacerbated the situation. The fallout from such a shake-up is expected to have a cascading effect on deposit patterns in the banking system across AEs. Further, de-dollarisation appears to be a recurring trend, with most countries employing alternative payment and settlement systems in local currency.

As per the International Monetary Fund (IMF), global economic growth is expected to decline from 3.4% in 2022 to 2.8% in 2023, before settling at 3.0% in 2024. AEs are expected to witness an especially pronounced growth slowdown, from 2.7% in 2022 to 1.3% in 2023 (CY). Global headline inflation is set to moderate from 8.7% in 2022 to 7.0% in 2023 due to lower commodity prices but underlying (core) inflation is likely to decline more slowly. Inflation's return to target seems unlikely before 2025 in most cases.

Overview of the World Economic Outlook Projections (per cent change, unless noted otherwise)

	2022	2023 (P)	2024 (P)
World Output	3.4	2.8	3.0
Advanced economies	2.7	1.3	1.4
- United States	2.1	1.6	1.1
- Euro Area	3.5	0.8	1.4
- Japan	1.1	1.3	1.0
- United Kingdom	4.0	-0.3	1.0
- Canada	3.4	1.5	1.5
- Other Advanced Economies	2.6	1.8	2.2
Emerging Market and Developing Economies	4.0	3.9	4.2
- Emerging and Developing Asia	4.4	5.3	5.1
• China	3.0	5.2	4.5
• India	6.8	5.9	6.3
• ASEAN-5	5.5	4.5	4.6
Middle East and North Africa	5.3	3.1	3.4
Emerging Market and Middle-Income Economies	3.9	3.9	4.0

Source: IMF staff estimates in April 2023 WEO

Indian Economy Overview

India is the fastest growing major economy in the world with its real GDP growth estimated at 7.2% in 2022-23. The Indian economy continues to show resilience to external shocks caused by the prolonged war between Russia and Ukraine, higher inflation, tighter monetary conditions, supply chain challenges, etc.

According to the World Bank (WB), India will remain the fastest-growing major economy in terms of both aggregate and per capita GDP of the largest emerging market and developing economies (EMDEs). WB has forecasted India's GDP growth at 6.3% for 2023-24 and projects slight pick-up through 2025-26, with estimates of India's GDP growth at 6.4% in 2024-25 and 6.5% in 2025-26.

IMF expects India to become a US$ 5 trillion economy by 2025-26, while the government, with the support of lower global uncertainties is also taking concrete steps to achieve the milestone. Various measures undertaken to boost economic growth such as higher budgeted capital expenditure of Rs. 10 lakh crore in 2023-24

for infrastructure development, thrust on domestic manufacturing, formulation of the National Monetisation Pipeline (NMP) and the National Logistics Policy (NLP), and commitment to energy transition are major steps in the country's economic journey.

This transformation is expected to fuel robust domestic consumption, technology-enabled development and revival in credit growth, among others. In addition, growth-enhancing policies such as the production-linked incentives (PLI) scheme, Atmanirbhar Bharat and PM Gati Shakti are expected to have a multiplier effect on economic growth, jobs creation and consumption.

Resilience of the Indian economy is reflected in the domestic economic situation coping well with external shocks. Real GDP growth for 2023-24 is projected at 6.5%, which is amongst the highest in the world. Inflation, which started on a positive trend in April 2023 at 4.70% is anticipated to remain in the moderate zone for the ongoing fiscal year despite certain shocks from adverse climate change impacts.

However, expectation of a record rabi food grain production bodes well for food prices outlook and growth in general. It is probable that in 2023-24, average CPI (consumer price inflation) would be around 5-5.2%, compared to 6.7% in 2022-23, thus giving comfort to regulators.

The prospects of the Indian economy therefore appear bright with several factors coming together, including a large youth and consumer base with rising per capita and disposable income, coupled with forward-looking government policies that are facilitators of trade and commerce. Hence, there is opportunity in India's unfolding consumption story.

Government thrust on packaged foods industry

Under the leadership of PM Modi, India has spearheaded a range of efforts to introduce fundamental changes to the economy, such as increasing digital transactions, enhancing efficiency, streamlining the tax regime, etc. This restructuring of the economy has created room for growth and improvement in areas such as food and product retail.

India's food processing sector is one of the largest in the world and its output is expected to reach USD 535 billion by 2025-26, as per the National Investment Promotion and Facilitation Agency. It lies at the heart of the government's Make in India initiative and resonates with the call for 'vocal for local'.

New initiatives such as planned infrastructure spend of USD 1 trillion to boost the rural economy have put the food processing sector on a high growth trajectory. The Pradhan Mantri Kisan Sampada Yojna for example is a comprehensive package which shall create modern infrastructure with efficient supply chain management from farm to retail outlets. More recently, boosting the Atmanirbhar Bharat vision, the scheme of Formalization of Micro Food Processing Enterprises (FME) is being rolled out with an outlay of Rs. 10,000 crore.

India not only has a large domestic market but also abundant raw material. Increase in size of the food processing industry can be attributed to changing consumption patterns due to urbanisation, change in workforce gender composition, and growing consumption rates. Additionally, over two-thirds of India's 1.4 billion people are young with growing incomes, which also creates a large market for food products. Increasing organized retail penetration is offering a wide range of options to consumers too.

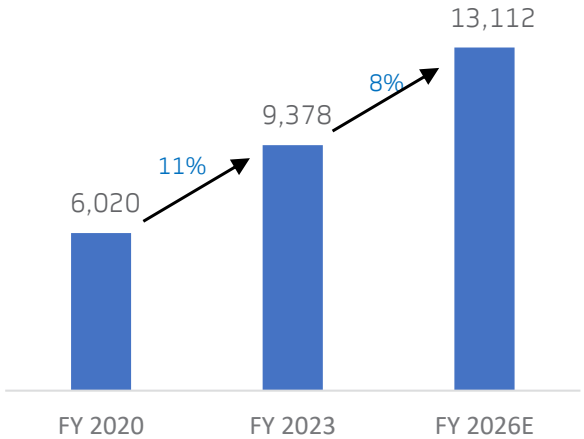
The government has launched Production Linked Incentive Scheme for Food Processing Industry (PLISFPI) to support creation of global food manufacturing champions commensurate with India's natural resource endowment, and support Indian food brands in international markets with an outlay of Rs. 10,900 crore.

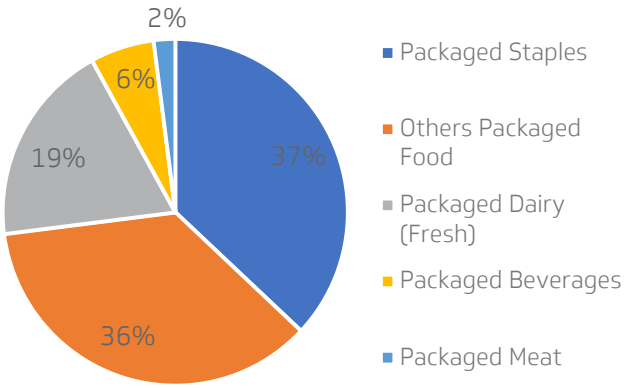
As per the Ministry of Food Processing Industries, incentive under the scheme would be paid for six years ending 2026-27 and its implementation would facilitate expansion of processed food output to Rs. 33,494 crore and create employment for nearly 2.5 lakh people by the year 2026-27.

Indian packaged foods industry

As per Technopak analysis, the Indian packaged food retail market was valued at Rs. 9,378 bn in FY2023, contributing 18.9% to the total food and grocery retail market which was valued at Rs. 51,640 bn in FY2023. Though Indian food retail remains dominated by unbranded products, food in packaged form is growing at almost double the pace of the overall market and is expected to contribute 20.5% of the total food and grocery sales in India by FY2025. Packaged staples (37%) are major contributors to total packaged food market, followed by other packaged food (36%) such as snacks, bakery, biscuits etc., dairy (19%), beverages (6%) and meat (2%).

Indian packaged food retail market and breakup (Rs. bn)





Source: Technopak Analysis

While sales through organised retail channel contributed 26% of the packaged food sales in FY2022, balance sales of packaged food came through traditional channels (unorganised channel). While almost 42% of the packaged food sales in south India is through modern retail channels, 25% packaged food sales in west India is through modern retail. Owing to relatively lower presence of modern retail in north and east/north-east India, share of packaged food sales through modern retail is low at 18% and 14%, respectively.

Yet another channel has emerged that is hyperlocal deliveries comprising delivery in a time-bound period, for instance 10-minutes. This model feeds on consumer expectation of instant gratification and works on the "dark stores" concept that has opened up yet another consumption avenue for the packaged foods industry.

Western India is the biggest market for consumption for packaged food, followed by south and north regions. East/north-east region is relatively underpenetrated in terms of modern retail and grade-A grocery stores.

Other packaged food market (snacks, bakery, biscuits, etc.) is valued at Rs. 3,383 bn in FY2023 and is seeing significant growth post-Covid due to urbanization, changing consumer tastes and lifestyle, and variety of packaged food that is readily available. It is estimated to grow at a 15% CAGR by FY2026, which is higher as compared to ~8% CAGR of the overall packaged food industry growth rate.

Rapid urbanisation, growing middle-class population, inclination of millennials towards the western lifestyle, rising disposable income, improving retail infrastructure, internet penetration in rural areas, and technological breakthrough are key factors set to drive growth of India's packaged food market.

During 2022-23, the domestic packaged food industry witnessed sluggishness, being impacted by high commodity prices, rising interest rates, and a generally subdued sentiment. During the year, the major challenge confronting the food industry was managing inflation in the cost of key commodities like wheat, milk, sugar, palm oil, etc., all of which were trading at multi-year high prices.

Yet, though commodity prices were volatile and inflation was at unprecedented levels, post-Covid stabilisation and resumption of economic mobility supported growth throughout the year. India continued to remain a leading spot with robust domestic demand.

Global warming is also having a significant impact on food availability and the overall environment in general. Thus, accelerated adoption of sustainability initiatives is observed across the board for corporates to adapt their business model to climate change factors.

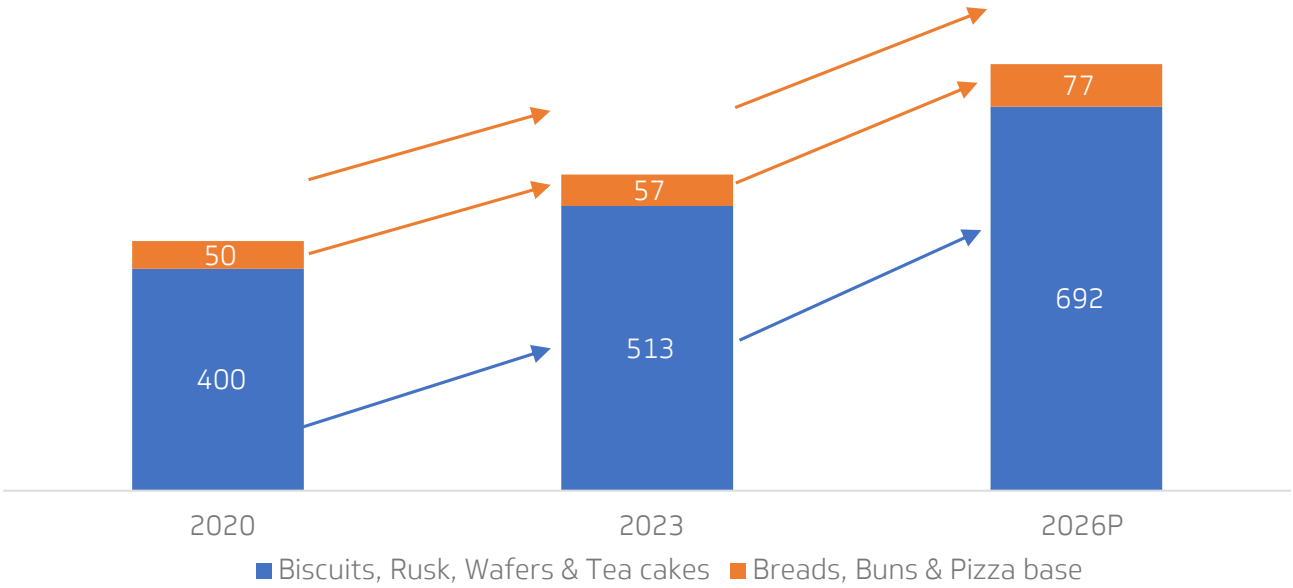
Indian biscuits and bakery industry

Biscuits and bakery products, a significant part of the Indian packed foods industry, are consumer staples and everyday consumption items that are an essential component of the consumer's grocery basket. Over the years, uptick in economic growth has shifted the consumption profile to packaged and branded food products, with growing consumer desire for better quality, taste and food safety. Further, with such products being licensed by the food regulator has further increased customer trust in these products. Additionally, price difference between packaged food products over loose items has narrowed over the years, thus creating a further consumer thrust towards these products.

As per Technopak analysis, the Indian biscuits and bakery retail market is valued at Rs. 570 bn and is expected to grow at a 10.5% CAGR over the next three years to reach around Rs. 770 bn by FY2026. The market has grown at an 8.2% CAGR in the last 3 years.

Biscuits and other snacking bakery products such as rusks, wafers and tea cakes contribute almost Rs. 513 bn or 90% to the total market. The remaining 10% is contributed by breads, (buns, pizza base, loaves), which account for Rs. 57 bn.

Indian packaged food retail market and breakup (Rs. bn)



Source: Technopak analysis

Indian biscuit market is dominated by branded players with a 95% share. Penetration of branded biscuits will continue to grow because of increasing consumer preference and disposable income. Non-branded biscuit is dominated by small bakery units, cottage and household type manufacturing units, which thrive on catering to local taste and close relationship with retailers.

Evolution of distribution channels has also played a role in this consumer shift, with hypermarkets and supermarkets driving packaged food sales. In addition, e-commerce channels offering consumers a plethora of choice have also nudged the shift.

India has the lowest per capita biscuit consumption in the world at 2.5-2.6 kg, compared to over 4.25 kg in South East Asian countries like Singapore, Hong Kong, Thailand and Indonesia, and more than 10 kg in the US and Western Europe. This gap creates an opportunity for market players to grow and extend the organised market for biscuits and bakery items over a multi-decade period.

Biscuits market

Biscuit is a hygienically packaged nutritious snack food available at competitive prices, pack sizes and tastes. Biscuit is consumed by people from all segments of society, particularly children, in both rural and urban areas. Growing health awareness, innovation by large organised players, easy access to products, rapid urbanisation, and rising disposable incomes have contributed to India's biscuit consumption story.

A biscuit is a flour-based baked food product. Biscuits are typically flat, hard and unleavened. They come in both sweet and savoury varieties, with a wide range of flavours, shapes and ingredients. Sweet biscuits may include sugar, chocolate, icing, jam, ginger or cinnamon, while savoury biscuits can resemble crackers and have flavours like cheese, herbs, etc.

Biscuits priced below Rs. 100/kg are classified as mass-end and comprise the glucose category. Biscuits priced at Rs. 100-200/kg are classified as mid-premium and comprise the Marie biscuit and crackers categories. Biscuits priced above Rs. 200/kg are categorised as premium and comprise the cookies, digestives and cream categories. The market for mid-premium and premium biscuits is expected to grow to Rs. 504 billion by 2024-25 at a 9.5% CAGR, which is faster than the mass biscuit market growing at around 8.5%. This growth of non-glucose segment is a reflection of the changing consumer behaviour that prefers mid and premium biscuit categories such as cookies, cream, crackers (salty and non-salty), and digestive biscuits.

Biscuit consumption profile has transformed over the years, in line with the premiumisation trend witnessed across other product categories. Broader consumption of conventional products such as glucose, milk and Marie biscuits has given way to premium products such as cookies, cream wafers, centre-filled biscuits, etc. Accelerating this trend are manufacturers that are developing and bringing to market a variety of premium, flavourful and even experiential biscuits that are finding resonance with consumers, especially in urban areas.

Yet another discernible trend is preference for healthy and nutritious biscuit products that are catching consumer attention due to their healthy snacking proposition. Further, innovation in packaging such as availability of a smaller quantity of biscuits packed separately within a larger packaging is also driving sales of such packs, especially meeting the on-the-go snacking demand among consumers.

Demand for healthy and clean-label products, such as gluten-free, low-calorie, low-fat and high-fiber biscuits are the primary factors driving market growth. Introducing innovative shapes, new flavours, attractive packaging, and healthier alternatives attract consumers and contribute to market expansion. Additionally, urbanisation and growth in disposable income are driving growth of the biscuits market. As people become more affluent, they are spending more on snacks and convenience foods, primary among which is biscuits.

Based on product type, the Indian biscuits market is divided into crackers and savoury biscuits, and sweet biscuits. Crackers and savoury biscuits are further segmented into plain and flavoured biscuits. Sweet biscuits are further segmented into plain biscuits, cookies, sandwich biscuits, and chocolate-coated biscuits. The sweet biscuits segment is expected to account for a majority of the market share. This is due to sweet biscuits finding favour with all segments of consumers and being preferred due to their taste and easy accessibility. Some sweet biscuits are made with whole grains, nuts and seeds as well to cater to health-conscious customers. These biscuits offer health benefits, such as increased fiber intake and reduced risk of heart disease. Savoury biscuits are also prevalent and they are growing in popularity due to increasing demand for healthy snacks.

Based on packaging, the biscuits market is divided into pouches/packets, boxes, cans/jars and others. The pouches/packets segment holds a significant share in the overall packaging segment. Most manufacturers bundle biscuits in tight wraps because, unlike loose packets, consumers equate these with firm non-broken products and this is a critical consumer requirement that is also growing in popularity due to the increasing demand for healthy snacks. The cans/jars segment is on a growth trend too due to increasing consumer preference towards premium packaging options for bakery products and with a group eating value offering.

Biscuits market is one of the fastest growing of all sectors in the fast-moving consumer goods (FMCG) category and the market is on a growth path, anchored on key drivers.

Industry innovation: Due to high level of household penetration, potential for growth in biscuits is immense. The possibilities for increasing consumption through innovative, healthy and superior offerings in this category are numerous. Further, as consumers become more health-conscious, they are demanding biscuits that are made of healthy and even traceable ingredients. Assessing the type and composition of ingredients on product packs is becoming a common habit among consumers. Manufacturers are responding by introducing biscuits that are made of whole grains, oats, honey, nuts, seeds and fiber and protein-rich ingredients. Further, thrust on millets, especially by the government will pave the way for an increasing number of manufacturers to make biscuits with millets.

New flavours to sustain consumer excitement: Introduction of new biscuit flavours that appeal to a larger consumer base is a constant endeavour among manufacturers. Further, development of new biscuit formats such as bite-sized biscuits and biscuits meant to be eaten on-the-move is also driving growth of the biscuit category. In addition, use of new technologies such as high-pressure processing to develop biscuits that have a longer shelf life is also an innovation helping drive growth of the biscuits market.

Competitive intensity: The biscuits market in India is highly competitive, with a number of large and well-established players, smaller regional participants and the unorganised sector. This competition can make it difficult for new entrants to gain a foothold as they have a strong brand presence, wide distribution network and customer trust in their products. They are also making investment in constantly innovating and launching new products to attract and retain consumers. In addition to competition from established players, the biscuits market also faces competition from other snack food categories such as chips and other snacking items.

Export market – Biscuit

As per Technopak, Indian biscuit exports has maintained a share of ~2% of total global exports by value since 2019. India has exported USD 180-260 mn worth of biscuits per annum in the period 2019-22.

India's biscuit export market and share in total world exports

India's share of world exports (by value) USD mn	2019	2020	2021	2022
Total exports (world)	8168	8489	9667	10128
India's exports	181	168	200	266
India's share	2.20%	1.98%	2.07%	2.63%
India's share of world exports (by volume) '000 tons	2019	2020	2021	2022
Total exports (world)	3,531	3296	3,677	NA
India's exports	149	141	173	216
India's share	2.30%	4%	4.70%	NA

Source: Technopak Analysis
HSN:190531
Year Indicates CY
NA – Not Available

Even during the pandemic, the biscuit market was stable as consumers stacked up on long shelf-life items, including biscuits. Consumers' preference for convenient and healthy snacking options specifically drove demand for nutritious oat and nut-based biscuits.

The most recent trend, "food-on-the-go", has become a significant factor in driving the global biscuits market due to convenience in carrying such products. In addition, frequent launches of new formulations in the basic product, such as low-fat, gluten-free, low-carb, organic and high-fiber biscuits are expected to fuel the market's growth. In terms of segmentation by type, sweet biscuits are the fastest-growing sub-segment owing to their taste and incorporation of healthy ingredients.

Few growth drivers of the biscuit market include:

Increasing profitability by launching premium and larger pack sizes:

To tap the younger demographics, brands are strategically expanding their offerings by addition premium products to their basket. The demanding Indian consumer expects his favorite brand to come-up with a premium range of products to cater to changing demands. To capture a bigger share of the wallet and build a strong brand loyalty among such consumers, the brands have introduced a set of premium products in their range. Brands offer discounts or offers on larger packs to increase consumption and scale.

Active lifestyle and demand for biscuits and cookies in snacks:

Increasing consumer awareness, urbanization and people moving to cities for work where both spouses are working, and readily available convenience bakery items, households are seeking variety and are ready to experiment. With ease of availability of different ingredients used in products, consumers are also seeking premium, gourmet and exotic products to satisfy their desire to indulge. This shift has resulted in innovative products development.

Offerings which are less in calories and have healthy benefits:

Active lifestyles of consumers and availability of convenient food choices are increasing demand for healthy biscuits. Concern for health and wellness is becoming a key consideration for snacking. Healthy biscuits with high fiber digestive ingredients and sugar substitutes such as honey, fruits and dark chocolate are a rapidly growing category.

Usage in food services

Increase in out-of-home and online consumption of foods is directly supporting growth of Indian bakery and biscuit market. Most food service formats like QSRs, café, restaurants and hotels have cakes, cookies, puddings or pies as their dessert menu. The increase in penetration of organized retail is fuelling consumption of the allied sector.

Bakery market

The Indian bakery market was valued of approximately USD 10.1 billion in 2022. The market is estimated to grow at a 9.6% CAGR between 2023 and 2028 to reach a value of USD 17.44 billion by 2028.

Bread is the cheapest and basic instant food available for consumption. Though bread is not yet a fully staple food in the country, its consumption has increased significantly over the years. The government has made it mandatory to stamp the date and time of manufacture and the date and time of expiry on the packet. Therefore, once the bread is baked and packed, manufacturers make it a point that it reaches the market at the earliest for timely consumption. Thus, product distribution and point-of-sale availability are crucial factors for the success of the business.

Bread is a hygienically manufactured and a packed food product available at reasonable prices. Though major consumers of bread are those from the middle class, the premiumisation trend is visible in this product category too, as value-added, flavourful and artisanal breads are finding favour among the upwardly mobile, such as panini, sourdough, garlic, bruschetta, focaccia, pull-apart breads, etc. Premium breads are expected to grow faster than the overall market due to factors such as higher disposable income, propensity to spend, and willingness to experiment. Further, small bakeries have sprung up in many parts of the country that has fuelled the desire to experiment among home-bakers. This is also driving the consumption opportunity and demand for artisanal bread varieties.

Share of processed, dough-based products in the food component for the Indian food service chains segment in India was estimated at Rs. 11 billion in 2019-20 and is projected to grow at 23% CAGR to reach Rs. 30.6 billion in 2024-25. It includes the institutional business of fresh buns, frozen dough for pizzas and other bakery products. Domino's, McDonald's, Subway, Burger King and Pizza Hut together contribute ~70% of the dough-based products within the food service chain segment.

There are significant growth opportunities in the breads category, one of which is healthy and value-added products and the other is expanding into newer geographies. There has been significant consolidation within the category over the last couple of years as well. Per capita consumption of bread in India is only around 1.5-1.75 kg in various zones that also point to growth in bread consumption over time. Per capita bread consumption is 20 kg in Singapore, 46 kg in the US, 65 kg in Germany, and close to 100 kg in the UK, as per the All India Bread Manufacturers' Association.

The broad market segmentation of bread is as follows:

- Mass bread segment comprising white breads made of wheat flour
- Premium breads, including wheat breads, milk and fruit breads, pizza bases, buns and value-added loaves in the indulgence category
- Super-premium breads consisting specialty artisanal products like pita bread, sourdough bread, etc.

With branding and organised distribution giving pricing power to manufacturers, the breads industry is dominated by branded companies with about 55% market share. The unbranded segment constitutes those in the cottage industry processing local products. In terms of zonal consumption, the North leads the industry with an estimated 32% share, followed by the West, South and East at about 27%, 23% and 18%, respectively.

Some of the major growth triggers of the bread industry are:

- Easy accessibility and convenience in eating, driving single and multi-pack consumption
- Shift in share from the unorganised to organised players on concerns of health and food safety
- Growing experimentative nature of consumers, fuelled by home-bakers trying out new ingredients and recipes
- Consumer internet businesses with hyperlocal delivery models that suit perfectly with the quick consumption nature of the product

Director's Report

Dear members

Your Directors are pleased to present the 28th Annual Report on the affairs of the Company together with the audited statement of accounts for the year ended on 31st March, 2023.

FINANCIAL PERFORMANCE

(Amount in Rs. million)

Particulars	Standalone		Consolidated	
	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from Operations (Net)	12,643.17	9,235.80	13,621.39	9,881.73
Other Income	116.13	105.96	120.23	62.76
Total Income	12,759.30	9,341.76	13741.62	9,944.49
Less: Expenses	11,119.11	8,150.35	11,869.35	8,656.87
Less: Finance Cost	128.95	70.59	129.12	70.80
Less: Depreciation and Amortization	491.23	427.54	532.77	459.99
Add: Profit before share of equity	-	-	-3.35	0.41
accounted investees and tax share of net profit of associates accounted for using the equity method				
Profit before Taxation	1,020.01	693.28	1,207.03	757.24
Less: Tax Expense (Deferred & Current)	257.48	158.35	306.29	185.81
Profit for the year	762.53	534.93	900.74	571.43
Add: Other Comprehensive Income /	-0.58	7.85	-0.55	8.12
(loss) for the year				
Total Comprehensive Income for the year	761.95	542.78	900.19	579.55
Earnings per Share				
Basic (H)	12.96	9.10	15.31	9.72
Diluted (H)	12.96	9.10	15.31	9.72

PERFORMANCE REVIEW

On standalone basis, the Company reported revenue from operations of Rs. 12,643.17 million for the financial year 2022-23, as compared to Rs. 9,235.80 million in the previous financial year 2021-22, registering a growth of 36.89%. Profit before financial expenses, depreciation and taxation stood at Rs.1,524.06 million, as compared to Rs. 1,085.45 million in the previous year. Net profit for the year under review amounted to Rs. 762.53 million, as compared to Rs. 534.93 million in the previous year, registering a substantive increase of 42.55% over the previous year.

On consolidated basis, the Company reported revenue from operations of Rs. 13,621.39 million for the financial year 2022-23 as compared to Rs. 9,881.73 million in the previous financial year 2021-22, registering a growth of 37.84%. Profit before financial expenses, depreciation and taxation stood at Rs. 1,752.04 million, as compared to Rs. 1,224.86 million in the previous year. Net profit for the year under review amounted to Rs. 900.74 million, as compared to Rs. 571.43 million in the previous year, registering a substantive increase of 57.63% over the previous year.

CREDIT RATING

The Company was accorded credit rating by two rating agencies namely CRISIL and ICRA. CRISIL has given the rating AA-/ Stable (pronounced "Double A minus Stable") for long-term borrowings and A1+ (pronounced "CRISIL A one plus") for short- term borrowings. ICRA vide its rating letter dated 20th July,2023 has revised the Long-term rating of the Company from AA-/ Stable to AA-/ Positive (pronounced "Double A minus Positive") for Long-term borrowings and reaffirmed the short term rating as A1+ (pronounced "ICRA A one plus") for short-term borrowings.

TRANSFER TO RESERVES

Your Directors do not propose to transfer any amount to reserves.

DIVIDEND

The Directors in their meeting held on 07.02.2023 have declared an interim dividend of Rs. 1.25/- per equity share of face value of Rs. 10/- each (i.e. 12.5%).

Further your Directors are pleased to recommend a final dividend of Rs. 1.75/- per equity share of face value of Rs. 10/- each (i.e. 17.5%) for the year ended March 31, 2023 in the Board Meeting held on 25.05.2023. The dividend, subject to the approval of members at the Annual General Meeting on Friday, September 29, 2023, will be paid within the time period stipulated under the Companies Act, 2013 (subject to deduction of tax at source).

The Dividend recommended is in accordance with the he Company's Dividend Distribution Policy. The Dividend Distribution Policy of the Company is available on the Company's website at https://www.bectorfoods.com/panel/uploads/investor/09302021075016MBFSL-DividendDistributionPolicy.pdf.

MATERIAL CHANGES

(a) Material changes between the date of the Board report and end of financial year

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

(b) Material events during the year under review

There were no material events occurred during the year under review.

(c) Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

During the year under review, there has been no suchsignificant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in the future.

Subsidiary Company/Associate Company

At the close of financial year 2022-23, the Company had three subsidiary companies, viz.:

i. Bakebest Foods Private Limited

ii. Mrs. Bectors English Oven Limited

iii. Mrs Bectors Food International (FZE)

The company also has one associate company viz., Cremica Agro Foods Limited as on 31st March 2023.

Pursuant to the provisions of Section 129 of the Companies Act, 2013 and the Companies (Accounts) Rules, 2014, the Company has attached along with the financial statements, a separate statement containing the salient features of the financial statements of its subsidiary companies in the manner prescribed under the Companies Act, 2013 and rules made thereunder in form AOC-1 (Annexure- C).

CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to the provisions of Section 129 of the Companies Act, 2013 and the Companies (Accounts) Rules, 2014, the consolidated financial statements of the Company and its subsidiaries have been prepared in the same form and manner as mandated by Schedule III of the Companies Act, 2013 and shall be laid before the forthcoming Annual General Meeting (AGM) of the Company.

The consolidated financial statements of the Company have also been prepared in accordance with relevant accounting standards issued by the Ministry of Corporate Affairs forming part of this Annual Report. In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of each of its subsidiaries are available on the Company's website at www.bectorfoods.com.

STATUTORY AUDITOR & AUDIT REPORT

M/s B S R & Co. LLP, Chartered Accountants, (firm registration No.101248W/W-100022) were appointed by the shareholders at the 24th Annual General Meeting as Statutory Auditors of the Company to hold office for the period of five years from financial year 2019-20 to 2023-24, i.e. from the conclusion of the 24th Annual General Meeting till the conclusion of the 29th Annual General Meeting. Since their term is not expiring on the conclusion of the ensuing AGM, there is no requirement of passing any resolution at the ensuing AGM.

The Auditors have given unmodified report as there are no qualifications, observations or adverse remarks made by the Auditors in their Report for the year ended March 31, 2023.

CHANGE IN THE NATURE OF BUSINESS

As required to be reported pursuant to Section 134(3)(q) read with Rule 8(5)(ii) of Companies (Accounts) Rules, 2014, there is no change in the nature of business carried on by the Company during the financial year 2022-23.

DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

The following is the constitution of the Board of Directors and key managerial personnel as on date:

Sr. No.	Name of Director/ KMP	Designation
1	Mr. Ashish Agarwal*	Chairman & Independent Director
2	Mr. Subhash Agarwal**	Chairman & Independent Director
3	Mr. Anoop Bector	Managing Director
4	Mr. Manu Talwar***	Chief Executive Officer
5	Mr. Ishaan Bector	Whole-time Director
6	Mr. Suvir Bector	Whole-time Director
7	Mr. Parveen Kumar Goel	Whole-time Director
8	Mr. Alok Kumar Misra	Independent Director
9	Mr. Rajiv Dewan****	Independent Director
10	Mrs. Pooja Luthra	Independent Director
11	Mr. Arnav Jain*****	Chief Financial Officer
12	Mr. Atul Sud	Compliance Officer Company Secretary and

* Mr. Ashish Agarwal has been appointed as an Independent Director of the Company for period of five years w.e.f 10.02.2023 to 09.02.2028. His appointment was approved by the members of the company through Postal Ballot held on 30.03.2023.

** Mr. Subhash Agarwal, Independent Director of the Company (whose second tenure expired on 09.02.2023) has ceased to be a Director of the Company with effect from the close of business hours on February 9, 2023

*** Mr. Manu Talwar has been appointed as Chief Executive Officer w.e.f. 02.05.2022.

**** Mr. Rajiv Dewan, was appointed as an Independent Director of the Company for a period of five year w.e.f. 10.08.2018 to 09.08.2023. Resolution for his re-appointment for the second term from 10.08.2023 to 09.08.2028 is placed in the Notice of this Annual Report

*****Mr. Arnav Jain has been appointed as Chief Financial Officer w.e.f. 11.08.2023

WOMAN DIRECTOR

In terms of the provisions of Section 149 of the Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Pooja Luthra has been appointed as Independent Woman Director on the Board of the Company.

MEETING OF INDEPENDENT DIRECTORS

Pursuant to the requirements of Schedule IV of the Companies Act, 2013 and in terms of Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors of the Company was convened on March 28, 2023 to review the matters as laid down in the aforesaid schedule and regulations.

Particulars	(Amount in Rs.)
Deposits accepted during the year (including renewed during the year) Deposits remained unpaid or unclaimed at the end of the year	Nil
Default in repayment of deposits or payment of interest thereon during the year and if so number of such cases and the total amount involved	Nil
(i) at the beginning of the year	
(ii) maximum during the year	
(iii) at the end of the year	
Deposits which are not in compliance with requirement of chapter V of the Companies Act, 2023	Nil

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is attached herewith as Annexure – A.

CORPORATE SOCIAL RESPONSIBILITY

In accordance with the requirements of the provisions of Section 135 of the Companies Act, 2013, the Company has constituted a CSR Committee. The Company has also formulated a CSR Policy, which is available on Company's website at https://www.bectorfoods.com/panel/uploads/investor/09042023044712MBFSLCSRpolicy.pdf

During the year under review, in compliance with the provisions of Section 135 of the Companies Act, 2013, the Companies (Corporate Social Responsibility) Rules, 2014 and the various notifications/circulars issued by the Ministry of Corporate Affairs, the Company was supposed to spend Rs. 13.33 Mn during the Financial Year 2022.-23 out of which it has contributed an amount of Rs. 9.74 Mn directly or indirectly through implementing agencies engaged in activities specified in Schedule VII of the Companies Act, 2013. The remaining amount left unspent has been transferred to the CSR Unspent Account opened with Bank. The CSR Committee had approved two long-term projects in relation to ITI Patiala and PAU, Ludhiana on which the total amount left unspent will be spent over a period of 3 Financial Years.

In the first project the Company, Mrs. Bectors Food Specialities Limited, has recommended an amount of Rs. 45 lakh, in order to achieve the goal of imparting latest and up to date technical knowledge in various trades to the students of ITI, Patiala by way of procurement of Tools and Equipment, renovation of existing workshop building and salary to 1 trainer as recurring expense over a period of 3 years for commencing a new course of Baker & Confectioner (One Year SCVT) at ITI, Patiala

In the second project the Company Mrs. Bectors Food Specialities Limited, has committed an amount of Rs. 10 Lakh

for the improvement and renovation of infrastructure focusing on water conservation and improving environment by way of augmentation of clean and green campus drive over a period of 9 months at PAU, Ludhiana.

The above projects are aligned with the sustainable development goals (SDGs) and these activities will be implemented directly by the Company.

The salient features of the CSR policy along with the Report on CSR projects/ activities are given in Annexure-B to this Directors' Report.

NUMBER OF MEETINGS OF THE BOARD

During the year 2022-23, the Board of Directors met 6 times on May 28, 2022, August 9, 2022, November 10, 2022, February 7, 2023, February 10, 2023 and March 28, 2023.

BOARD COMMITTEES

The Company has constituted the following committees in compliance with the Companies Act, 2013 and the Listing Regulations.

1. Audit Committee;
2. Nomination and Remuneration Committee;
3. Stakeholders' Relationship Committee;
4. Corporate Social Responsibility Committee and
5. Risk Management Committee.

All these committees have been established as a part of the best corporate governance practices. There have been no instances where the Board has not accepted any recommendation of the aforesaid committees. The details in respect to the compositions, powers, roles, and terms of reference etc., are provided in the Corporate Governance Report forming part of this report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 134(3) (c) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

(i) in the preparation of the annual accounts for the financial year ended 31st March, 2023, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(ii) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the profit and loss of the Company for that period.

(iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) the Directors had prepared the annual accounts on a going concern basis; and

(vi) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DECLARATION BY INDEPENDENT DIRECTORS

The Independent Directors furnished a declaration that they meet the criteria of Independence as provided in sub section 6 of Section 149 of the Companies Act, 2013 at the Board meeting held on 25th May, 2023.

Company's policy on Directors' Appointment and Remuneration, including Criteria for Determining Qualifications, Positive Attributes, Independence of a Director and other Matters provided under sub-section (3) of Section 178.

The Board on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, senior management and their remuneration and to develop and recommend to the Board a set of Corporate Governance Guidelines. The policy of the Company on Directors appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of Directors and other matters provided under Section 178(3) of the Companies Act, 2013 and Regulation 19 of the Listing Regulations is available on the Company's website at www.bectorfoods.com.

Broad terms of reference of the committee inter-alia include:

a) To identify persons who are qualified to become Directors and who may be appointed as KMPs and in senior management position in accordance with the criteria laid down, recommend to the Board for their appointment and removal;

b) To carry out evaluation of every Director's performance;

c) To identify the criteria for determining qualifications, positive attributes and independence of a director;

d) To finalise the remuneration for the Directors, key managerial personnel and senior management personnel;

e) To assess the independence of Independent Directors; and

f) Such other key issues/matters as may be referred by the Board or as may be necessary in view of the provision of the Companies Act, 2013 and Rules thereunder and the SEBI (LODR), whenever applicable.

In this context, the committee will also review the framework and processes for motivating and rewarding performance at all levels of the organisation, will review the

resulting compensation awards, and will make appropriate proposals for Board approval.

BOARD EVALUATION

The Nomination and Remuneration Committee of the Company had approved a Nomination and Remuneration policy containing the criteria for performance evaluation, which was approved and adopted by the Board of Directors. The key features of this policy have also been included in the report. The policy provides for evaluation of the Board and the individual Directors, including the Chairman of the Board and Independent Directors.

Subsequent to the year under review, the evaluation for the period 2022-23 was completed as per the policy adopted in compliance with the applicable provisions of the Act. The Board's assessment was discussed with the full Board evaluating, amongst other things, the full and common understanding of the roles and responsibilities of the Board, contribution towards development of the strategy and ensuring robust and effective risk management, understanding of the operational programs being managed by the Company, receipt of regular inputs, receipt of reports by the Board on financial matters, budgets and operations services, timely receipt of information with supporting papers, regular monitoring and evaluation of progress towards strategic goals and operational performance, number of Board meetings, committee structures and functioning, etc.

The members concluded that the Board was operating in an effective and constructive manner.

DISCLOSURE OF REMUNERATION OF DIRECTORS AND EMPLOYEES OF THE COMPANY

Information as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in Rule 5(2) and 5(3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is annexed hereto as Annexure–G and forms part of this report.

ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013 read with the rules made thereunder, the Annual Return of the Company has been disclosed on the website of the Company and web link thereto is https://www.bectorfoods.com/panel/uploads/investor/09042023072829Form_MGT_7-FY23.pdf

SECRETARIAL AUDIT REPORT

M/s. B.K. Gupta & Associates, Practicing Company Secretaries, Ludhiana, has been appointed to conduct Secretarial Audit of the Company for the financial year 2022- 23 pursuant to section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel), Rules 2014. A report submitted by them is attached herewith as Annexure–E. There was no qualification, reservation or adverse remark in the Report of the Secretarial Auditor.

CORPORATE GOVERNANCE

The Company is committed to follow the best Corporate Governance practices, including the requirements under the SEBI Listing Regulations and the Board is responsible to ensure the same from time to time. The Company has duly complied with the Corporate Governance requirements. Further, a separate section on Corporate Governance in compliance with the provisions of Regulation 34 of the Listing Regulations read with Schedule V of the said regulations, along with a certificate from a Practicing Company Secretary confirming that the Company is and has been compliant with the conditions stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 forms part of the Annual Report.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year 2022-23 were on an arm's length basis and in the ordinary course of business and were in compliance with the applicable provisions of the Companies Act, 2013 and the Listing Regulations. None of the transactions with related parties fall under the scope of Section 188(1) of the Act. There are no material related party transactions made by the Company during the year under review. Given that the Company does not have anything to report pursuant to Section 134(3) (h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC- 2, therefore the same is not provided.

All such transactions are placed before the Audit Committee for review/approval. The Audit Committee grants omnibus approval for the transactions that are in the ordinary course of the business and repetitive in nature. All related party transactions are placed before the Audit Committee on a quarterly basis. As good governance practice, the same are also placed before the Board for seeking their approval. Disclosures, as required under Indian Accounting Standards ("IND AS") – 24, have been made in the Note No. 47 to the Consolidated Financial Statements. Further, in terms of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the transactions with person/ entity belonging to the promoter/promoter group holding 10% or more shareholding in the Company have been disclosed in the accompanying financial statements.

The policy on related party transactions, as formulated by the Board is available on the Company's website at https://www.bectorfoods.com/panel/uploads/investor/09302021075757MBFSL-PolicyonMaterialityofRPT.pdf

SHARE CAPITAL AND PROVISION OF MONEY BY COMPANY FOR PURCHASE OF ITS OWN SHARES BY TRUSTEES OR EMPLOYEES FOR THE BENEFIT OF EMPLOYEES

During the year under review, the Company issued shares to eligible employees under ESOP Plan 2017, the paid-up share capital of the Company has increased to Rs. 58,81,74,740 divided into 5,88,17,474 equity shares of Rs. 10 each.

UTILISATION OF ISSUE PROCEEDS

In terms of Regulation 32 read with 18(3) read with Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Audit Committee reviewed the statement of deviations in use of proceeds raised from the public IPO and reported to the stock exchange that there is no deviations in utilisation of funds as per the statement given below

(Amount in Rs. million)

Particulars	Object of the issue as per Prospectus	Utilisation up to 31 March 2023	Unutilised amount as on 31 March 2023
Financing the project cost towards Rajpura extension project	405.40	350.57	-
Utilized for general corporate purpose		54.83	
Total fresh proceeds	405.40	405.40	-

It is informed to the members of the Board that as per the commitment of the Company, the Company had to spend an amount of Rs. 40.54 Crores raised through fresh issue of shares in the IPO on the Rajpura plant.

In this relation we wish to state that the new production line of Biscuits at Rajpura has started its Commercial Production with an installed Capacity of 12000 Tons per annum w.e.f. July 15, 2022.

The project has been completed. The balance funds are being used for the general corporate purposes of the company.

AUDIT COMMITTEE AND VIGIL MECHANISM

As required under Section 177 of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Board of Directors have already constituted an Audit Committee, which, as of the close of the financial year under review, comprised of Mr. Rajiv Dewan, Independent Director as Chairman, Mr. Parveen Kumar Goel, Wholetime Director as

Member, Mr. Ashish Agarwal, Independent Director and Mr. Alok Kumar Misra as Member.

The committee held Five meetings during the year under review.

The Board of Directors established a vigil mechanism to redress genuine concerns/grievances of employees and Directors of the Company. Mr. Seeraj Beri, Manager Accounts, has been designated as Whistle and Ethics Officer to hear the grievances of employees and Directors of the Company; however, offences of serious nature may be brought to the attention of the Chairman of the Audit Committee of the Company. The Audit Committee regularly reviews the working of the mechanism. No complaint was received during the year under review.

RISK MANAGEMENT POLICY

The Company has a Risk Management Policy with the objective to formalise the process of identification of potential risk and adopt appropriate risk mitigation measures through a risk management structure. The Risk Management Policy is a step taken by the Company towards strengthening the existing controls. The business of the Company solely depends upon agricultural produce, which is highly seasonal and this is a major element of risk which may threaten the existence of the Company.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(3) read with Schedule V of the Listing Regulations, is presented separately and forms part of this Annual Report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Business Responsibility and Sustainability Report ("BRSR") for the year under review, as stipulated under 34(2)(f) of the SEBI Listing Regulations to be submitted by top-1,000 listed entities based on their market capitalization as on March 31, 2023, is presented separately and forms part of this Annual Report.

HUMAN RESOURCE & INDUSTRIAL RELATIONS

During the year under review, the Company enjoyed cordial relations with workers and employees at all levels of the organisation. A detailed section on Human Resources/ Industrial Relations is provided in the Management Discussion and Analysis Report, which forms part of this Annual Report.

DISCLOSURE REGARDING ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS

The Company, under the provision of Section 43 read with Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 has not issued any equity shares with differential rights.

DISCLOSURE REGARDING ISSUE OF SWEAT EQUITY SHARES

The Company, under the provision of Section 54 read with Rule 8(13) of the Companies (Share Capital and Debentures) Rules, 2014 has not issued any sweat equity shares.

DISCLOSURE REGARDING ISSUE OF EMPLOYEE STOCK OPTIONS

Pursuant to the resolution of our Board of Directors dated February 20, 2017 and of our shareholders dated June 30, 2017, our Company has instituted the Employee Stock Option Plan 2017 ("ESOP Plan 2017"), which became effective from June 30, 2017 and continues to be in force as on the date of this report. In accordance with ESOP Plan 2017, the maximum number of equity shares exercisable per option granted cannot exceed 1% of the total paid-up share capital of the Company, which is 572,676 equity shares.

ESOP Plan 2017 is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. The detailed Report on the ESOP is given the Annexure–D.

VOLUNTARY REVISION OF FINANCIAL STATEMENTS OR BOARD'S REPORT

The Company is complying with the provisions of Section 129 or 134 of Companies Act, 2013, so there was no voluntary revision done by the Company during financial year 2022-23.

Statement in respect of adequacy of Internal Financial Control with reference to the Financial Statements

Pursuant to Section 134 (3)(q) read with Rule 8(5) (viii) of Companies (Accounts) Rules, 2014, and ICAI guidance note on adequacy of internal financial controls with reference to financial statements – it is stated that there is adequate internal control system in the Company. The Company has an effective and reliable internal control system commensurate with the size of its operations. The internal control system provides for well- documented policies and procedures that are aligned with global standards and processes.

RECEIPT OF ANY COMMISSION/REMUNERATION BY MD / WTD OF COMPANY FROM ITS HOLDING OR SUBSIDIARY

The Company does not have any holding company. Further, no subsidiary company of the Company has paid any commission/ remuneration to the Directors of the Company for the financial year 2022-23.

Statement indicating the Manner in which formal Annual Evaluation has been made by the Board of its own Performance, its Directors, and that of its Committees

In line with the provisions of the Companies Act, 2013, the Board evaluation was carried out through a structured evaluation process by all the Directors based on the criteria such as composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors, including the Chairman of the Board. They were evaluated on parameters such as their education, knowledge, experience, expertise, skills, behaviour, leadership qualities, level of engagement, independence of judgement, decision-making ability for safeguarding the interest of the Company, stakeholders and its shareholders. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and Non- Independent Directors was carried out by the Independent Directors. The Board was satisfied with the evaluation process and the results thereof.

REPORTING

There was no fraud reported to the Board during the year under review.

DISCLOSURE REGARDING PREVENTION OF SEXUAL HARASSMENT

The Company is committed to maintaining a productive environment for all its employees at various levels in the organisation, free of sexual harassment and discrimination on the basis of gender. The Company has framed a policy on prevention of sexual harassment in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. The Company has also set up "Internal Complaint Committee" ('the Committee') to redress complaints received regarding sexual harassment, which has formalised a free and fair enquiry process with clear timelines. During the year under review, the Company had not received any complaint of harassment.

PARTICULARS OF LOAN, GUARANTEES OR INVESTMENTS (LGSI) UNDER SECTION 186

The Company has not given any loans, or provided any guarantees, or security as specified under Section 186 of the Companies Act, 2013.

The Company has made a total investment of Rs. 48,00,000 @ Rs. 10 per share in Solarstream Renewable Services Private Limited and has been allotted 4,80,000 shares in the said Company. After investment the Company is holding 4.90% equity holding in the Company.

INTERNAL AUDITOR

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, prevention and detection

of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures.

Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, the Company has appointed Grant Thornton Bharat LLP, Gurgaon, as Internal Auditors to conduct internal audit for the financial year 2022-23.

The Company has an Internal Audit Department to test the adequacy and effectiveness of internal control systems laid down by the management and to suggest improvement in the systems. Internal Audit Reports are discussed with the management and are reviewed by the Audit Committee of the Board. Grant Thornton Bharat LLP, Gurgaon, conducted the internal audit for the financial year 2022-23 and presented an Internal Audit Report, which did not have any objection in it.

INTERNAL FINANCIAL CONTROLS AUDIT

During the financial year 2022-23 under review, the Company's internal controls were tested by M/s Genikon Services Pvt. Ltd., and no reportable weakness in the system was observed.

COST AUDITORS

In terms of the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, appointment of Cost Auditor is not applicable to our Company.

SECRETARIAL STANDARDS

The Secretarial Standards SS-1 and SS-2 relating to 'Meetings of the Board of Directors and General Meetings' issued and notified by the Institute of Company Secretaries of India as amended/ replaced from time to time have been complied with by the Company during the financial year under review.

ACKNOWLEDGMENT

Your Directors take this opportunity to place on record their appreciation and sincere gratitude to all associates for their valuable support, and look forward to their continued co- operation in the years to come. Your Directors acknowledge the support and co-operation received from the employees and all those who have helped in the day-to-day management.

For and on behalf of the Board of Directors
For **Mrs. Bectors Food Specialities Limited**

Sd/-
(Ashish Agarwal)
Chairman
(DIN: 00775296)

Place: Phillaur
Date: 04.09.2023

ANNEXURE – A

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO PURSUANT TO SECTION 134 (3) (M) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES 2014 ARE PROVIDED BELOW:

The Company operates in a safe and environmentally responsible manner for the long-term benefit of all stakeholders. The Company is committed to take effective measures to conserve energy and drive energy efficiency in operations.

A. CONSERVATION OF ENERGY

(i) Measures taken for conservation of energy:

a) Replacement of florescent lamps with energy efficient LED lights in all plants/units

b) Installed new baking ovens at Rajpura manufacturing facility with enhanced technology to increase fuel efficiency

c) In-house training on energy conservation to plant members and employees

d) Solar power panels installed at the Noida, Rajpura, Khopoli and Phillaur manufacturing facility. Increased the solar power consumption from 4% to 11% from previous year.

e) Air pressure reduction in plants to reduce compressed air energy cost

f) Usage of piped natural gas (PNG) in 50% plant locations and compressed natural gas (CNG) in most of the manufacturing process to reduce pollution.

g) Conducted a pilot with Maersk logistics to transition to electric vehicles for delivery of products

(ii) Steps taken by the Company for utilizing alternate source of energy and capital investment on energy conservation equipment.

The Company is using PNG (piped natural gas) at its Tahliwal manufacturing facility as an alternate source of energy, which is more cost efficient. From January, 2023 the Company has started using LPG at the said facility. The Company has invested in renewable energy and has installed solar power panels at its plant in Rajpura, Phillaur, Noida and Khopoli with an investment of more than Rs. 5 cr.

(iii) Impact of measures at (i) and (ii) above:

Your Company will save Rs. 10 Crore in a span of 15 years through use of Renewable energy.

B. TECHNOLOGY ABSORPTION

The efforts made towards technology absorption:

The Company is motivated to continuously work for the process of technology development. The team undertakes specific time- bound programmes to improve technology which are tried on pilot scale/lab basis to achieve the desired results and then up-scaled at the manufacturing level. We have installed new automated cookies manufacturing line sourced from Denmark at our Rajpura biscuit plant. We have also added large blast freezing, individual quick freezing and holding freezers to increase our capacity by installing an automated bread and bun manufacturing line sourced from Germany and the United States of America, respectively, at our Greater Noida manufacturing facility. These equipment/lines are energy-efficient, highly productive and equipped with best-in-class safety features.

Benefits derived

The Company has benefited significantly in terms of better product quality, increased labour productivity and reduced operating cost.

The Company has been able to build its brand as a manufacturer of world-class biscuits.

C. RESEARCH AND DEVELOPMENT (R & D)

Your Company has a state-of-the-art R&D centre and expertise which enables the development of innovative, high quality and consumer centric products. On the Biscuit side, your Company launched new products such as Melto Vanilla Crème, Mia Rondi, Ubrand Vanilla, Ubrand Strawberry, Ubrand Peppermint, Teddy Bear Nd Chocolate, Teddy Bear Nd Honey and on the Bakery side your Company launched new products, such as Classic Sourdough Bread, Whole Wheat Sourdough Bread, Sundried Tomato Focaccia Bread, Herb And Garlic Sourdough Bread and Butter Croissant (2 Pcs). Other than this we have launched rusk under English Oven Brand and our subsidiary Company Mr. Bectors English Oven Limited has started new business of Kiosk setup.

D. FOREIGN EXCHANGE EARNINGS AND OUTGO

(Rs. in million)

Particulars	FY 2022-2023	FY 2021-2022
Total foreign exchange received (F.O.B. value of export)	3161.66	2,103.95
Total foreign exchange used	126.78	100.14

For and on behalf of the Board of Directors
For **Mrs. Bectors Food Specialities Limited**

Sd/-
(Ashish Agarwal)
Chairman
DIN: 02782473

Place: Phillaur
Date: 04.09.2023

ANNEXURE – B

ANNUAL REPORT ON CSR ACTIVITIES

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY

Our philosophy is to undertake socially useful programmes for welfare and sustainable development of the community at large. Our initiatives include those aimed at promoting health care, promoting education, women heath and empowerment to promote wellness and equality among women and water conservation in around our operations for the benefit of the society.

Driving these initiatives, the CSR Committee of the Board has recommended to the Board a list of activities relating to cleanliness, promoting health care, Eradicating poverty and malnutrition, and Promoting education which have been stipulated in Schedule VII of the Companies Act, 2013 and to spend at least two percent of the average net profits of the Company made during the three immediately preceding financial years.

In view of the Ministry of Company Affairs notification dated 22nd January, 2021 'MCA' vide Companies (CSR Policy) Amendment Rules, 2021, the Board approved the CSR policy as per the recommendations made by the Corporate Social Responsibility Committee and decided to implement CSR projects directly or through implementing agencies as per the guidelines of MCA and as approved by the CSR committee from time to time.

COMPOSITION OF CSR COMMITTEE

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Anoop Bector	Managing Director	4	3
2.	Subhash Agarwal	Independent Director	4	3
3.	Parveen Kumar Goel	Wholetime Director	4	4
4.	Pooja Luthra	Independent Director	4	1
5.	Ashish Agarwal	Independent Director	4	1

2. PROVIDE THE WEB-LINK WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY: THESE DETAILS CAN BE ACCESSED

http://www.bectorfoods.com/panel/uploads/investor/04252022125213CompositionofCommittees-MBFSL.pdf

3. PROVIDE THE DETAILS OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014, IF APPLICABLE (ATTACH THE REPORT)

- Not Applicable for the FY 22-23.

4. DETAILS OF THE AMOUNT AVAILABLE FOR SET OFF IN PURSUANCE OF SUB-RULE (3) OF RULE 7 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014 AND AMOUNT REQUIRED FOR SET OFF FOR THE FINANCIAL YEAR, IF ANY

– Nil

5. AVERAGE NET PROFIT OF THE COMPANY AS PER SECTION 135(5) :

Rs. 666.45 million

6. (A) TWO PERCENT OF AVERAGE NET PROFIT OF THE COMPANY AS PER SECTION 135(5)

– Rs. 13.33 million

(B) SURPLUS ARISING OUT OF THE CSR PROJECTS OR PROGRAMMES OR ACTIVITIES OF THE PREVIOUS FINANCIAL YEARS

– Nil

(C) AMOUNT REQUIRED TO BE SET OFF FOR THE FINANCIAL YEAR, IF ANY

- Nil

(D) TOTAL CSR OBLIGATION FOR THE FINANCIAL YEAR (6A+6B-6C)

- Rs. 13.33 million

7. (A) CSR AMOUNT SPENT OR UNSPENT FOR THE FINANCIAL YEAR:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
9.74 million	3.59 million	12.04.2023	-	-	-

(B) DETAILS OF CSR AMOUNT SPENT AGAINST ONGOING PROJECTS FOR THE FINANCIAL YEAR

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No).	Location of the project.		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation- Direct (Yes/ No)	Mode of Implementation Through Implementing Agency	
				State	District						Name	CSR Registration Number
1.	Promotion of Education	Promotion of Education	Yes	Rajpura, Punjab	3 Years	4.50	0	3.59	Yes		--	
2.	Conservation of water and Environmental Improvement	Environmental sustainability	Yes	Ludhiana, Punjab	9 months	1.00	0		Yes	-	-	

(C) DETAILS OF CSR AMOUNT SPENT AGAINST OTHER THAN ONGOING PROJECTS FOR THE FINANCIAL YEAR:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No).	Location of the project.	Amount spent for the project (in D million).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State, District			Name	CSR Registration number.
1.	Promotion of Education	Promotion of Education	Yes	Rajpura, Punjab	0.19	No	Om Shri Sai Sewa Trust	CSR00005739
2.	Conservation of water and Environmental Improvement	Environmental sustainability	Yes	Ludhiana, Punjab	0.18	Yes	-	-
3.	Conservation of water and Health	Promoting of health care and Environment Sustainability	No	Rajpura, Punjab and Noida, UP	3.20	No	PHD Rural Development Foundation	CSR00004676
4.	For Facilitating Menstrual Hygiene Care and Women Health	Promoting Heath Care	Yes	Phillaur, Punjab	2.06	No	Aident Social Welfare Organisation	CSR00000766
5.	Promotion of Education	Promotion of Education	Yes	Jammu	2.50	No	Shri Mata Vaishno Devi Charitable Society	CSR00039740
6.	Purchase of Dialysis Machine	Promoting Heath Care	Yes	Ludhiana, Punjab	0.74	No	Shri Rama Sewak Sangh	CSR00008127
7.	Promotion of Education	Promotion of Education	Yes	Ludhiana, Punjab	0.10	No	Social Action Group	CSR00017204
8.	Promotion of Education	Promotion of Education	Yes	Ludhiana, Punjab	0.10	No	Ludhiana Educational Society	CSR00023999
	Total				9.07			

(D) AMOUNT SPENT IN ADMINISTRATIVE OVERHEADS: Rs. 0.67 Mn

(E) AMOUNT SPENT ON IMPACT ASSESSMENT, IF APPLICABLE – Nil

(F) TOTAL AMOUNT SPENT FOR THE FINANCIAL YEAR (8B+8C+8D+8E) – Rs. 9.74 million

(G) EXCESS AMOUNT FOR SET OFF, IF ANY

Sl. No.	Particular	Amount (₹ In Millions)
(i)	Two percent of average net profit of the company as per section 135(5)	13.33
(ii)	Total amount spent for the Financial Year	9.74
(iii)	Excess amount spent for the financial year	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. (A) DETAILS OF UNSPENT CSR AMOUNT FOR THE PRECEDING THREE FINANCIAL YEARS:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs)	Amount spent in the reporting Financial Year (in Rs).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs).
				Name of the Fund	Amount (in Rs).	Date of transfer.	
NIL							

(B) DETAILS OF CSR AMOUNT SPENT IN THE FINANCIAL YEAR FOR ONGOING PROJECTS OF THE PRECEDING FINANCIAL YEAR(S):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs).	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year. (in Rs)	Status of the project -Completed / Ongoing
NOT Applicable								

10. CASE OF CREATION OR ACQUISITION OF CAPITAL ASSET, FURNISH THE DETAILS RELATING TO THE ASSET SO CREATED OR ACQUIRED THROUGH CSR SPENT IN THE FINANCIAL YEAR (ASSET WISE DETAILS)

(A) DATE OF CREATION OR ACQUISITION OF THE CAPITAL ASSET(S): Not Applicable

(B) AMOUNT OF CSR SPENT FOR CREATION OR ACQUISITION OF CAPITAL ASSET: Nil

(C) DETAILS OF THE ENTITY OR PUBLIC AUTHORITY OR BENEFICIARY UNDER WHOSE NAME SUCH CAPITAL ASSET IS REGISTERED, THEIR ADDRESS ETC.: Nil

(D) PROVIDE DETAILS OF THE CAPITAL ASSET(S) CREATED OR ACQUIRED (INCLUDING COMPLETE ADDRESS AND LOCATION OF THE CAPITAL ASSET): Nil

11. SPECIFY THE REASON(S), IF THE COMPANY HAS FAILED TO SPEND TWO PER CENT OF THE AVERAGE NET PROFIT AS PER SECTION 135(5)

– Not applicable

For and on behalf of the Board of Directors
For **Mrs. Bectors Food Specialities Limited**

Sd/-
(Ashish Agarwal)
Chairman
DIN: 00775296

Place: Phillaur
Date: 04.09.2023

ANNEXURE – C

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

PART "A": SUBSIDIARIES

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Subsidiary 1

(Amount in Rs. Million)

Sr. No.	Particulars	Details
1	Name of the subsidiary	Bakebest Foods Private Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as of holding company, i.e. 31.03.2023
3	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Since the company is an Indian company, this clause is not applicable
4	Share capital	181.50
5	Reserves & surplus	323.30
6	Total assets	579.59
7	Total Liabilities	74.79
8	Investments	Nil
9	Turnover	976.58
10	Profit before taxation	192.94
11	Provision for taxation	49.12
12	Profit after taxation	143.82
13	Proposed Dividend	Nil
14	% of shareholding	100

Subsidiary 2

(Amount in Rs. Million)

Sr. No.	Particulars	Details
1	Name of the subsidiary	Mrs. Bectors English Oven Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as of holding company, i.e. 31.03.2023
3	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Since the company is an Indian company, this clause is not applicable
4	Share capital	10.00
5	Reserves & surplus	(0.93)
6	Total assets	9.97
7	Total Liabilities	0.90
8	Investments	Nil
9	Turnover	2.64
10	Profit before taxation	(1.23)
11	Provision for taxation	(0.31)
12	Profit after taxation	(0.92)
13	Proposed Dividend	Nil
14	% of shareholding	100

Subsidiary 3

(Amount in AED Million)

Sr. No.	Particulars	Details
1	Name of the subsidiary	Mrs. Bectors Food International (FZE)
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as of holding company, i.e. 31.03.2023
3	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	AED
4	Share capital	0.15
5	Reserves & surplus	(0.13)
6	Total assets	0.05
7	Total Liabilities	0.03
8	Investments	Nil
9	Turnover	Nil
10	Profit after taxation	(0.08)
11	% of shareholding	100

PART "B": ASSOCIATES/JOINT VENTURES

Statement pursuant to first proviso Section 129 (3) of the Companies Act, 2013 relation to Associate Companies and Joint Ventures

(Amount in Rs. Million)

Sr. No.	Particulars	Details
1	Name of associate	Cremica Agro Foods Limited
2	Latest audited Balance Sheet date	31.03.2023
3	Shares of Associate held by the company on the year end	
	No. of Shares	19,37,268
	Amount of Investment in Associates	19.37
	Extend of Holding%	43.09
4	Description of how there is significant influence	Mrs. Bectors Food Specialities Limited controls more than 20% of total voting power of Cremica Agro Foods Limited
5	Reason why the associate is not consolidated	Controlling right is not there
6	Net worth attributable to shareholding as per latest audited Balance Sheet	Rs. 36.27 million
7	Profit/Loss for the year	
	Considered in Consolidation	Rs. (3.35) million
	Not Considered in Consolidation	-

For and on behalf of the Board of Directors
For **Mrs. Bectors Food Specialities Limited**

Sd/-
(Ashish Agarwal)
Chairman
DIN: 00775296

Place: Phillaur
Date: 04.09.2023

ANNEXURE – D

Details of Employee Stock Options under "ESOP Plan 2017" under Section 62 of the Companies Act, 2013 read with rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 and Securities and Exchange Board of India (share based Employee Benefits) Regulations, 2014

Particulars	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023
Total options outstanding as at the beginning of the period	Nil	1,41,742	1,75,801	1,31,417	72,871	4060
Total options granted	1,41,742	34,359	Nil	11,454	-	-
Exercise price of options in H (as on the date of grant of options)	174.62	174.62	N.A	174.62	174.62	174.62
Options forfeited/ lapsed/ cancelled (cases where options cancelled due to termination of employment)	Nil	Nil	44,384	Nil	Nil	1911
Variation of terms of options	N.A	N.A	N.A	N.A	N.A.	N.A.
Money realized by exercise of options (H)	Nil	Rs. 52,385 (300 Equity Shares)	Nil	Rs. 1,22,23,309 (70,000 equity shares)	Rs. 1,20,15,711.81 (68,811 equity shares)	Rs. 3,75,259 (2149 equity shares)
Total number of options outstanding as at the end of the period	1,41,742	1,75,801	1,31,417	72,871	4,060	Nil
Options exercised (since implementation of the ESOP scheme)	Nil	300	Nil	70,300	1,39,111	1,41,260
Total number of Equity Shares arising as a result of granted options without considering effect of options cancelled (including options that have been exercised)	1,41,742	34,359	Nil	11,454	Nil	Nil
Options granted to key managerial person	Mr. Parveen Kumar Goel- 17,180	Nil	Nil	Nil	Nil	Nil

For and on behalf of the Board of Directors
For **Mrs. Bectors Food Specialities Limited**

Sd/-
(Ashish Agarwal)
Chairman
DIN: 00775296

Place: Phillaur
Date: 04.09.2023

ANNEXURE – E

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
MRS. BECTORS FOOD SPECIALITIES LIMITED,
Theing Road, Phillaur,
Distt. Jalandhar (PB) 144410.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by MRS. BECTORS FOOD SPECIALITIES LIMITED (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided to us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2023 complied with the statutory provisions listed hereunder and also that the company has proper board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by MRS. BECTORS FOOD SPECIALITIES LIMITED ("the Company") for the financial year ended on 31st March, 2023 according to the provisions of:

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

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

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

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

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable during the audit period)

e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations,2021;

f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable during the audit period)

g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations,2018;(Not applicable during the audit period)

i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable during the audit period) and

(vi) We have relied on the representation made by the Company & its Officers for system and mechanism formed by the Company for compliances under other applicable Acts as Environmental Laws & Labor Laws as per list attached herewith.

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

a) Secretarial Standards issued by The Institute of Company Secretaries of India;

b) The Listing Agreements entered into by the Company with the BSE Limited and National Stock Exchange of India Limited.

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

We further report that

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

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

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

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

We further report that during the audit period the Company has not undertaken any specific event/ action that can have a major bearing on the Company's compliance responsibility in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. except the following:

- Company has started new production line of Biscuits at Rajpura has started its Commercial Production with an installed Capacity of 12000 Tons per annum w.e.f. 15.07.2022.
- Shareholders of the Company at their annual general meeting held on 30.09.2022 by way of special resolution under Section 14 of the Companies Act, 2013 approved the alteration of articles of association of the company by deleting the Part II.
- During the Audit Period, the Company has allotted 2,149 equity shares of Rs. 10/- each, under the Company's Employees Stock Option Scheme 2017 at an exercise price of Rs. 174.62.

For **B.K. Gupta & Associates**
Company Secretaries
Peer Review No: - S2003PB540600

Sd/-
(CS Bhupesh Gupta)
FCS: 4590
CP No: - 5708
UDIN: - F004590E000375831

Place: - Ludhiana
Date: - 25.05.2023

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

Laws applicable to the industry to which the Company belongs, as identified and confirmed by the management of the company and confirmed that the company has complied with these laws:

- Food Safety & Standards Act, 2006 and regulations made thereunder
- Legal Metrology Act, 2009 and Legal Metrology (General) Rules, 2011
- Legal Metrology (Packaged Commodities) Rules, 2011
- The Factories Act, 1948
- The Payment of Wages Act, 1936
- The Minimum Wages Act, 1948
- Employee Provident Fund and Miscellaneous Provisions Act, 1952
- Employee State Insurance Act, 1948
- The Payment of Bonus Act, 1965
- The Environment (protection) Act, 1986
- Electricity Act, 2003
- Payment of Gratuity Act, 1972
- Water (Prevention & Control of Pollution) Act, 1974 and rules thereunder
- Air (Prevention & Control of Pollution) Act 1981 and rules thereunder

Annexure:-A

To
The Members,
MRS.BECTORS FOOD SPECIALITIES LIMITED,
Theing Road, Phillaur,
Distt. Jalandhar (PB) 144410.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **B.K. Gupta & Associates**
Company Secretaries

Sd/-
(CS Bhupesh Gupta)
FCS No.:4590
CP No.:5708

Date: 25.05.2023
Place: Ludhiana

Annexure:-F

DISCLOSURE IN THE BOARDS' REPORT UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014

1. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2022-23, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2022-23 are as under:

Sr. No.	Name & Designation of Director/KMP	Remuneration received in FY2022-23 (in Rs. million)	% Increase in remuneration in FY2022-23	Ratio of remuneration to each Director to median remuneration of employees
1	Anoop Bector, Managing Director	55.90	37.82%	347.20
2	Manu Talwar, CEO	11.10	NA	68.94
3	Ishaan Bector, Whole-time Director	21.92	28.94%	136.15
4	Suvir Bector, Whole-time Director	22.70	39.86%	140.99
5	Parveen Kumar Goel, Whole-time Director	6.93	(7.72)%	43.04
6	Subhash Agarwal, Chairman & Independent Director	0.32	156.00%	1.85
7	Rajiv Dewan, Independent Director	0.150	20.00%	0.93
8	Pooja Luthra, Independent Director	0.150	20.00%	0.93
9	Alok Kumar Misra, Independent Director	0.150	500.00%	0.93
10	Ashish Agarwal, Independent Director	0.025	NA	0.16
11	Atul Sud, Company Secretary & Compliance Officer	1.245	10.18%	7.73

* Mrs. Rajni Bector receives remuneration from its subsidiary Company, Bakebest Foods Private Limited. She does not receive any remuneration from Mrs. Bectors Food Specialities Limited.

** Independent Directors are paid Director Sitting Fees and commission/ professional fess where ever applicable.

2. The median fixed remuneration of employees of the Company during the financial year was at Rs. 1.61 lakhs per annum.
3. In the financial year, there was decrease of 4.17% in the median fixed remuneration of employees.
4. There were 2,377 permanent employees on the rolls of Company as on March 31, 2023.
5. Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year 2022-23 was 4.50%, whereas increase in the managerial remuneration for the same financial year was 23.20%.
6. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for directors, key managerial personnel and other employees.

Statement of particulars of employees under Section 197 of the Companies act, 2013 read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the year ended 31.03.2023

A. Details of the Directors employed throughout the year, who were in receipt of remuneration which in aggregate was not less that Rs. 102 lakhs per annum as follows:

Sr. No.	Name & Designation	Age in years	Qualification and experience	Nature of employment (contractual otherwise)	Date of commencement of employment	Remuneration received (in Rs. million)	Last employment	Whether Director, relative of any Director/ Manager
1	Anoop Bector, Managing Director	60	BCom and has experience of more than 30 years	Permanent	September 19, 1995	55.90	MD of Cremica Agro Foods Limited	Yes
2	Ishaan Bector, Whole-time Director	34	Bachelor's degree in Arts from Michigan State University and has an experience of 12 years	Permanent	July 1, 2011	21.92	N.A.	Yes

Sr. No.	Name & Designation	Age in years	Qualification and experience	Nature of employment (contractual otherwise)	Date of commencement of employment	Remuneration received (in Rs. million)	Last employment	Whether Director, relative of any Director/ Manager
3	Suvir Bector, Wholetime Director	28	Bachelor's degree in arts with honours in management with marketing from University of Exeter and has a Master's in global supply chain management from Cass Business School, City University in London and has an experience of 5 years	Permanent	July 24, 2018	22.70	N.A.	Yes

B. Details of the Employees employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month as follows:

Sr. No.	Name & Designation	Age in years	Qualification and experience	Nature of employment (contractual otherwise)	Date of commencement of employment	Remuneration received (in Rs. million)	Last employment	Whether Director, relative of any Director/ Manager
1	Rashmi Bector, Vice President (Business Development)	57	Bachelor's degree in Arts and has an experience of 24 years	Permanent	August 1, 1999	16.11	N.A.	Yes
2	Sanchali Gupta, Head- International Business, Middle East	37	MBA - International Business (Symbiosis Institute of International Business) and has an experience of 16 years	Permanent	January 1, 2022	11.38	IFFCO Group (Dubai)	No
3	Manu Talwar, Chief Executive Officer	59	B Com, FCA	Permanent	May 2, 2022	11.10	Voltas, Pepsi	No
4.	Nitesh Kotian	47	B.Com, Masters in Marketing Management and has more than 20 years of experience.	Permanent	July 6, 2021	10.31	Devyani Food Industries Limited	No

C. Statement showing names of top-10 employees in terms of remuneration drawn during the year is as follows:

Sr. No.	Name & Designation	Age in years	Qualification and experience	Nature of employment (contractual otherwise)	Date of commencement of employment	Remuneration received (in Rs. million)	Last employment	Whether Director, relative of any Director/ Manager
1	Anoop Bector, Managing Director	60	B Com and has an experience of more than 30 years	Permanent	September 19, 1995	55.90	MD of Cremica Agro Foods Limited	Yes
2	Ishaan Bector, Whole-time Director	34	Bachelor's degree in Arts from Michigan State University and has an experience of 12 years	Permanent	July 1, 2011	21.92	N.A.	Yes

Sr. No.	Name & Designation	Age in years	Qualification and experience	Nature of employment (contractual otherwise)	Date of commencement of employment	Remuneration received (in Rs. million)	Last employment	Whether Director, relative of any Director/ Manager
3	Suvir Bector, Wholetime Director	28	Bachelor's degree in arts with honours in management with marketing from University of Exeter and has a Master's in global supply chain management from Cass Business School, City University in London and has an experience of 5 years	Permanent	July 24, 2018	22.70	N.A.	Yes
4	Rashmi Bector, Vice President (Business Development)	57	Bachelor's degree in Arts and has an experience of 24 years	Permanent	August 1, 1999	16.11	N.A.	Yes
5	Sanchali Gupta, Head-International Business, Middle East	37	MBA - International Business (Symbiosis Institute of International Business) and has an experience of 16 years	Permanent	January 1, 2022	11.38	IFFCO Group, Dubai	No
6	Manu Talwar, Chief Executive Officer	59	B Com, FCA	Permanent	May 2, 2022	11.10	Voltas, Pepsi	No
7	Nitesh Kotian	47	B.Com, Masters in Marketing Management and has more than 21 years of experience.	Permanent	July 6, 2021	10.31	Devyani Food Industries Limited	No
8	Neeraj Aggarwal, VP Biscuits & Projects	53	Bachelor's degree in electrical engineering from Thapar Institute of Engineering and Technology in Patiala, Punjab	Permanent	November 19, 2012	8.13	Britannia Industries Limited	No
9	Hemant Narbadashankar Trivedi	36	MBA from ICFAI	Permanent	February 9, 2022	7.88	IFFCO Group, Dubai	No
10	Rajeev Dubey, Director, Breads Sales	52	B Com from University of Delhi	Permanent	August 23, 2018	7.25	Harvest Gold	No

For and on behalf of the Board of Directors
For **Mrs. Bectors Food Specialities Limited**

Sd/-
(Ashish Agarwal)
Chairman
DIN: 00775296

Place: Phillaur
Date: 04.09.2023

CORPORATE GOVERNANCE REPORT

To comply with Regulation 34, read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ['SEBI (LODR) Regulations'], the report containing the details of Corporate Governance of Mrs. Bectors Food Specialities Limited ('the Company'/'MBFSL') is as follows:

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The corporate governance philosophy of the Company is driven by the interest of stakeholders, focus on fairness and transparency, and the business needs of the organization. Corporate governance is quintessential for the enhancement of shareholder value, protection of interest of public shareholders, and growth, profitability and stability of the business. Aligning itself to this philosophy, the Company has placed corporate governance on a high priority.

Mrs. Bectors Food Specialities Limited ("the Company") is committed towards achieving the highest standards of corporate governance by maintaining the right balance between economic, social, individual and community goals. A good governance process provides transparency of corporate policies and the decision-making process, and also strengthens internal systems and helps in building good relations with all stakeholders.

- The highlights of the Company's corporate governance practices are:
- The Company has always conducted itself by adhering to the core values of transparency, accountability and integrity in all its business practices and management.
- The Company believes that a business can be successful if it is ethical and meets the aspirations of all its stakeholders, which include shareholders, employees, suppliers, customers, investors, communities and policy-makers. Responsible corporate conduct is integral in the way the Company does its business.
- The Company focuses on embracing best corporate practices in every facet of its operations for maximising shareholders' value.
- The Company ensures compliance with all applicable laws and regulations.
- The Company believes in carrying out its operations in a sustainable manner with optimal utilisation of natural resources.
- The Company engages itself in a credible and transparent manner with all its stakeholders to ensure that its long-term strategies and vision are communicated well.

The Board of Directors ('the Board') are responsible for and committed to sound principles of corporate governance in the Company. The Board plays a crucial role in overseeing how the management serves the short and long-term interests of shareholders and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board. We keep our governance practices under continuous review and benchmark ourselves to best practices across the globe.

2. BOARD OF DIRECTORS

The Board of Directors and its committees provide leadership and guidance to the Company's management while discharging its fiduciary responsibilities, directs as well as reviews business objectives and management strategic plans, and monitors the performance of the Company. The Company has a professional Board with right mix of knowledge, skills and expertise in diverse areas with an optimum combination of Executive and Non-Executive Directors, including Independent Directors and Women Directors. Besides having financial literacy, vast experience, leadership qualities and the ability to think strategically, the Directors are committed to ensure the highest standards of corporate governance. During the year, Mr. Ashish Agarwal has been appointed as an Independent Director of the Company for period of five years w.e.f 10.02.2023 to 09.02.2028. His appointment was approved by the members of the company through Postal Ballot held on 30.03.2023.

Mr. Subhash Agarwal, Independent Director of the Company (whose second tenure expired on 09.02.2023) has ceased to be a Director of the Company with effect from the close of business hours on February 9, 2023. The Company has a Non-Executive Chairman who is also an Independent Director of the Company and is not related to the Wholetime Director. The composition of the Board and category of Directors as on 31.03.2023 is as follows:

Category	Name of Director
Managing Director	Mr. Anoop Bector
Wholetime Directors	Mr. Ishaan Bector Mr. Suvir Bector Mr. Parveen Kumar Goel
Independent Directors	Mr. Ashish Agarwal Mr. Rajiv Dewan Mrs. Pooja Luthra Mr. Alok Kumar Misra

Relationship inter-se: Except Mr. Anoop Bector, Mr. Ishaan Bector and Mr. Suvir Bector, none of the Directors of the Company are related to any other Director of the Company.

3. KEY FUNCTIONS OF THE BOARD

The Board performs various statutory and other functions for managing the affairs of the Company. The key functions include, reviewing and guiding corporate strategy, annual budgets and business plans; setting performance objectives; monitoring implementation and corporate performance; overseeing major capital expenditures; ensuring integrity of the Company's accounting and financial reporting system, financial and operating controls, compliance with applicable laws; appointment and removal of Directors and Key Managerial Personnel; and evaluating the performance of the Board, its committees and individual Directors.

4. BOARD MEETINGS

The Board of Directors meets at least once in every quarter and also as and when required. During the year under review, the Board met on 6 (Six) occasions, i.e., on May 28, 2022, August 9, 2022, November 10, 2022, February 07, 2023, February 10, 2023 and March 28, 2023. The maximum gap between any two Board meetings was less than one hundred and twenty days.

The Board/committee meetings are pre-scheduled and for that notice and agenda papers are circulated to the Directors/ committee members well in advance before the respective meetings of the Board/ committees to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. However, in case of business exigencies or urgency, meetings are convened at a shorter notice with appropriate approvals or resolutions passed by way of circulation, as permitted by law, which are noted in the subsequent meeting. The applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) are also complied with by the Company.

A. The following table describes the composition and category of each Director on the Board, their status, their attendance at the Board meetings and the last Annual General Meeting, together with the details of number of other directorships and committee membership(s)/chairmanship(s) of each Director as at 31.03.2023:

Name of the Director	Category of Director	No. of Board meetings attended	Attendance at AGM held on 30.09.2022	No. of Directorship in listed entities, including this listed entity	No. of membership in audit/ stakeholders' committee, including this listed entity	No. of post of chairperson in audit/ stakeholders' committee held in listed entities, including this listed entity	Name of other listed entities in which they hold Directorship
Mr. Subhash Agarwal*	Non-Executive - Independent Director, Chairperson	4	Yes	1	1	Nil	NA
Mr. Ashish Agarwal	Non-Executive - Independent Director,	1	No	1	2	Nil	NA
Mr. Anoop Bector	Executive Director, MD	6	Yes	1	1	Nil	NA
Mr. Ishaan Bector	Executive Director	6	Yes	1	Nil	Nil	NA
Mr. Parveen Kumar Goel	Executive Director	6	Yes	1	1	Nil	NA
Mr. Suvir Bector	Executive Director	6	Yes	1	Nil	Nil	NA
Mr. Rajiv Dewan	Non-Executive - Independent Director	6	Yes	2	4	4	Trident Limited
Mrs. Pooja Luthra	Non-Executive - Independent Director	6	No	1	1	Nil	Nil
Mr. Alok Kumar Misra	Non-Executive Independent Director	6	Yes	3	4	Nil	Monte Carlo Fashions Limited, Investment Trust of India Limited

*Tenure of Mr. Subhash Agarwal (DIN:02782473), Non-Executive – Independent Director of the company has been expired on February 09, 2023.

B. SHAREHOLDING DETAILS OF DIRECTORS AS ON 31.03.2023:

Details of the Directors' shareholding in the Company is given as follows:

Name of Directors	No. of shares
Mr. Anoop Bector	1,25,50,800
Mr. Ishaan Bector	5100
Mr. Suvir Bector	5100
Mr. Parveen Kumar Goel	16,180
Mr. Ashish Agarwal	1515
Mrs. Pooja Luthra	2800

C. SKILLS/EXPERTISE/COMPETENCE OF THE BOARD OF DIRECTORS

The Directors on the Board are eminent industrialists/professionals and have expertise in their respective functional areas, bringing with them the reputation of independent judgement and experience which adds value to the Company's business. Directors are inducted on the Board on the basis of their possession of skills identified by the Board and their special skills with regards to the industries/fields they come from.

The brief profiles of Directors forming part of this Annual Report gives an insight into the education, expertise, skills and experience of the Directors, thus bringing in diversity to the Board's perspectives.

The core skills/expertise/competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively:

i) **Knowledge –** Understand the Company's business, policies and culture (including its mission, vision, values, goals, current strategic plan, governance structure, major risks and threats and potential opportunities) and knowledge of the industry in which the Company operates.

ii) **Behavioural skills –** Attributes and competencies to use their knowledge and skills to function well as team members and to interact with key stakeholders.

iii) **Strategy and planning –** Experience in developing strategies, critically accessing strategic opportunities and threats for growth of the business in a sustainable manner, assisting the management in taking decisions in consideration of the diverse and varied business and also uncertain environment.

iv) **Financial/technical/professional skills and specialised knowledge** to assist the ongoing aspects of the business.

v) **Governance -** Experience in developing governance framework, serving the best interests of all stakeholders, driving Board and management accountability, building long-term effective stakeholder engagement and sustaining corporate ethics and values.

In terms of the requirement of the Listing Regulations, the Board has identified the core skills/expertise/ competencies of the Directors in the context of the Company's business for effective functioning and as available with the Board. These are as follows:

Skills /Expertise/Competencies	Ashish Agarwal	Anoop Bector	Ishaan Bector	Suvir Bector	Parveen Kumar Goel	Rajiv Dewan	Pooja Luthra	Alok Kumar Misra
Knowledge	√	√	√	√	√	√	√	√
Behavioural skills	√	√	√	√	√	√	√	√
Strategy and planning	√	√	√	√	√	√	√	√
Financial/technical/ professional skills	√	√	√	√	√	√	√	√
and specialised knowledge to assist the								
ongoing aspects of the business								
Governance	√	√	√	√	√	√	√	√

The eligibility of a person to be appointed as a Director of the Company is dependent on whether the person possesses the requisite skill sets identified by the Board, as above, and whether the person is a proven leader in running a business that is relevant to the Company's business or is a proven academician in the field relevant to the Company's business. The Directors so appointed are drawn from diverse backgrounds and possess special skills with regards to the industries/fields from where they come.

Every Independent Director, at the first meeting of the Board in which he/she participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he/she meets the criteria of independence as provided under the law.

D. SEPARATE MEETING OF INDEPENDENT DIRECTORS

Schedule IV of the Companies Act, 2013 and Regulation 25(3) of the SEBI Listing Regulations, mandates the Independent Directors of the Company to hold at least one meeting in a financial year without the attendance of Non-Independent Directors and members of the management. The separate Independent Directors' meeting was scheduled and conducted via video conferencing on March 28th, 2023. The meeting was chaired by Mr. Ashish Agarwal, Independent Director, wherein the Independent Directors, inter alia, discussed the following:

i. Reviewed the performance of Non-Independent Directors and the Board as a whole;

ii. Reviewed the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors;

iii. Assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform its duties. All the Independent Directors were present at this meeting through tele-conferencing. The outcome of the meeting was apprised to the Chairman of the Company.

E. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company on appointment of an Independent Director, issues a formal Letter of Appointment setting out the terms of appointment, duties and responsibilities. The Company, in terms of Regulation 25(7) of Listing Regulations, has also put in place a system to familiarize the Independent Directors of their roles, rights, responsibilities, nature of industry in which the Company operates, business model of the Company, and ongoing events relating to the Company. It aims to provide the Independent Director/s an insight into the Company's functioning and to help them to understand its business in depth so as to enable them to contribute significantly during the deliberations at the Board and committee meetings. The details of familiarisation programme imparted to Independent Directors during the financial year 2022-23 are available at the Company's website and can be accessed at www.bectorfoods.com

F. RESIGNATION OF INDEPENDENT DIRECTOR

None of the Independent Directors of the Company have resigned before the expiry of their tenure. Thus, disclosure of detailed reasons for their resignation along with their confirmation that there are no material reasons other than those provided by them is not applicable.

G. DIRECTORS' DIRECTORSHIPS / COMMITTEE MEMBERSHIPS

The number of Directorships and committee positions held by the Directors are in conformity with the limits laid down in the Companies Act, 2013 and Listing Regulations, as on 31st March, 2023. As per Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 none of the Directors were a member in more than ten committees, nor a chairman in more than five committees across all companies.

Further, as per Regulation 17A of the Listing Regulations, Independent Directors of the Company do not serve as Independent Directors in more than seven listed companies. Further, the Managing Director of the Company does not serve as an Independent Director in any listed entity.

H. BOARD MEETING PROCEDURES

The Board is presented with detailed notes, along with the agenda papers, well in advance of the meeting. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting. Where it is not practical to attach any document to the agenda, the same is tabled before the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary items on the agenda are permitted. The required information, as enumerated in Part A of Schedule II of the Listing Regulations, is regularly made available to the Board of Directors for discussion and consideration at Board meetings.

I. INFORMATION SUPPLIED TO THE BOARD

Regular presentations are made to the Board of Directors covering business operations, finance, sales, accounts, marketing, compliances and other important business issues. The annual operating and capital budget(s) are approved by the Board of Directors. The Board spends considerable time in reviewing the actual performance of the Company vis à- vis the approved budget.

5. COMMITTEES OF THE BOARD:

The Board of Directors has constituted various Committees of the Board in accordance with the provisions of Companies Act, 2013 and the Listing Regulations to take informed decisions in the best interests of the Company. These committees monitor the activities falling within their terms of reference. These committees play an important role in the overall management of day-to-day affairs and governance of the Company. Details on the role and composition of these committees, including the no. of meetings held during the financial year and attendance at meetings are provided below:

(A) Audit Committee

The Audit Committee comprises of 4 (four) members (3 are Non-Executive Directors and 1 is Executive Director) and majority being an Independent Director.

During the year under review, the Audit Committee met on 4 (four) occasions, viz. May 28, 2022, August 9, 2022, November 10, 2022 and February 7, 2023 to deliberate on various matters. Not more than 120 days lapsed between any two consecutive meetings of the Audit Committee during the year. The necessary quorum was present at all the meetings.

Board of Directors in their meeting held on February 10, 2023 reconstituted the Audit Committee w.e.f. February 10, 2023 as tenure of Mr. Subhash Agarwal got expired on February 09, 2023 and made Mr. Ashish Agarwal, Non-Executive - Independent Director and Mr. Alok Kumar Misra, Non-Executive - Independent Director as the members of the Committee.

The composition of the Audit Committee as at 31.03.2023 and particulars of meetings attended by the members during the financial year 2022-23 are given hereunder:

(A) Audit Committee

Name of Committee members	Category	No. of meetings attended
Mr. Rajiv Dewan	Non-Executive - Independent Director, Chairperson	4
Mr. Subhash Agarwal*	Non-Executive - Independent Director, Member	4
Mr. Parveen Kumar Goel	Whole-time Director, Member	4
Mr. Alok Kumar Misra*	Non-Executive - Independent Director, Member	Nil
Mr. Ashish Agarwal*	Non-Executive - Independent Director, Member	Nil

*Ashish Agarwal and Mr. Alok Kumar Misra became Members of the Audit Committee w.e.f. 10.02.2023 and Mr. Subhash Agarwal ceased to be Member of the Audit Committee w.e.f. 09.02.2023 as his tenure got expired on 09.02.2023.

SCOPE AND TERMS OF REFERENCE:

The role of the Audit Committee shall include the following:

1) Oversight of the financial reporting process and disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible;

2) Recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and fixation of the audit fee;

3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

4) Reviewing the financial statements with respect to its unlisted subsidiary(ies), in particular investments made by suchsubsidiary(ies) of the Company;

5) Reviewing with the management the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

   i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;

   ii. Changes, if any, in accounting policies and practices and reasons for the same;

   iii. Major accounting entries involving estimates based on the exercise of judgment by the management;

   iv. Significant adjustments made in the financial statements arising out of audit findings;

   v. Compliance with listing and other legal requirements relating to the financial statements;

   vi. Disclosure of any related party transactions; and vii. Modified opinion(s) in the draft audit report.

6) Reviewing with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

7) Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

8) Reviewing and monitoring the auditor's independence and performance, and effectiveness of the audit process;

9) Approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;

10) Scrutiny of inter-corporate loans and investments;

11) Valuation of undertakings or assets of the Company, whichever is necessary;

12) Evaluation of internal financial controls and risk management systems;

13) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

14) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

15) Discussion with internal auditors of any significant findings and follow up thereon;

16) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

17) Discussion with statutory auditors before the audit commences about the nature and scope of audit as well as post- audit discussion to ascertain any area of concern;

18) Looking into the reasons for substantial defaults in payment to depositors, shareholders (in case of non-payment of declared dividends) and creditors;

19) Recommending to the Board the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;

20) Reviewing the functioning of the whistle blower mechanism;

21) Overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimisation of employees and Directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;

22) Approval of appointment of Chief Financial Officer (i.e., the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc., of the candidate;

23) Reviewing the utilisation of loans and/or advances from/investments by the holding company in the subsidiary exceeding H100 or 10% of the asset size of the subsidiary, whichever is lower, including existing loans/advances/ investments existing as on the date of coming into force of the provision; and

24) Carrying out any other functions required to be carried out by the Audit Committee in terms of the applicable law.

(B) Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises of 3 (three) members (all are Non-Executive Directors) and the Chairman of the Committee is an Independent Director. During the year under review, the committee met 5 times, i.e. on May 28, 2022, August 9, 2022, October 1, 2022, November 10, 2022, and February 09, 2023. The necessary quorum was present at the meeting. The Company Secretary acts as the secretary of the committee.

Board of Directors in their meeting held on February 10, 2023 reconstituted the Nomination and Remuneration Committee w.e.f. February 10, 2023 as tenure of Mr. Subhash Agarwal got expired on February 09, 2023 and made Mr. Ashish Agarwal, Non-Executive - Independent Director as the members of the Committee. The composition of the Nomination and Remuneration Committee as at 31.03.2023 and particulars of meetings attended by the members during the financial year 2022-23 are given hereunder:

Name of Committee members	Category	No. of meetings attended
Mr. Rajiv Dewan	Non-Executive - Independent Director, Chairperson	5
Mrs. Pooja Luthra	Non-Executive - Independent Director, Member	5
Mr. Subhash Agarwal*	Non-Executive – Independent Director, Member	4
Mr. Ashish Agarwal*	Non-Executive – Independent Director, Member	Nil

* Mr. Ashish Agarwal became Member of the Nomination and Remuneration Committee w.e.f. 10.02.2023 and Mr. Subhash Agarwal ceased to be Member of the Nomination and Remuneration Committee w.e.f. 09.02.2023 as his tenure got expired on 09.02.2023.

SCOPE AND TERMS OF REFERENCE:

1) Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration of the Directors, key managerial personnel and other employees;

2) Formulation of criteria for evaluation of performance of Independent Directors and the Board;

3) Devising a policy on Board diversity;

4) Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance (including Independent Director);

5) Determining whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of directors;

6) Recommend to the Board, all remuneration, in whatever form, payable to the senior management;

7) Determining the Company's policy on specific remuneration packages for Executive Directors and recommending remuneration of such Directors and any increase therein from time to time, within the limit approved by the members of the Company;

8) Recommending remuneration to Non-Executive Directors in the form of sitting fees for attending meetings of the Board and its committees, remuneration for other services, commission on profits;

9) Carrying out any other functions required to be undertaken by the Nomination and Remuneration Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time;

10) Frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

    (a) The SEBI Insider Trading Regulations; and

    (b) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.

11) Perform such functions as are required to be performed by the Nomination and Remuneration Committee under the SEBI (Share Based Employee Benefits) Regulations, 2014, including the following:

    (a) Administering the ESOP Plan 2017;

    (b) Determining the eligibility of employees to participate under the ESOP Plan 2017;

    (c) Granting options to eligible employees and determining the date of grant;

    (d) Determining the number of options to be granted to an employee;

    (e) Determining the exercise price under the ESOP Plan 2017; and

    (f) Construing and interpreting the ESOP Plan 2017 and any agreements defining the rights and obligations of the Company and eligible employees under the plan, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Plan 2017, and

12) Perform such other activities as may be delegated by the Board or specified/provided under the Companies Act, 2013 as amended or by the SEBI Listing Regulations, as amended or by any other applicable law or regulatory authority.

    The Nomination and Remuneration policy of the Company is available on the Company's website at http://www.bectorfoods. com

PERFORMANCE EVALUATION:

In compliance with the requirements of the provisions of Section 178 of the Companies Act, 2013 and the Listing Regulations, the Company has devised a policy for performance evaluation of Independent Directors, Board, committees and other Directors, which include criteria for performance evaluation of the Non-Executive Directors and Executive Directors. The evaluation of the Independent Directors was carried out by the Board, excluding the Director being evaluated, and that of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The exercise was carried out through a structured evaluation process covering various aspects of the Board's functioning, such as composition of the Board and committees, experience and competencies, performance of specific duties and obligations, governance issues, etc.

The performance was reviewed on the basis of the criteria, such as contribution of the individual Director to the Board and committee meetings, like preparedness on the issues to be discussed, meaningful and constructive contribution, inputs in meetings, etc.

REMUNERATION TO DIRECTORS:

The remuneration paid to Executive Directors is determined by the Nomination and Remuneration Committee, subject to approval of the Board that is subject to the limits laid down under Section 197 and Schedule V of the Companies Act, 2013 and in accordance with the terms of Appointment approved by the shareholders of the Company. The Non-Executive Directors have not been paid any remuneration, except sitting fees or commission as approved by the shareholders for attending the Board meetings. The details of remuneration paid to Directors during the financial year ended March 31, 2023 are as follows:

Name of Director	Salaries, perquisites and allowances	Commission/ Professional fees	Sitting fees	Total
Mr. Anoop Bector	55.90	-	-	55.90
Mr. Ishaan Bector	21.92	-	-	21.92
Mr. Suvir Bector	22.70			22.70
Mr. Parveen Kumar Goel	6.93	-	-	6.93

Name of Director	Salaries, perquisites and allowances	Commission/ Professional fees	Sitting fees	Total
Mr. Subhash Agarwal	-	0.22	0.100	0.32
Mr. Rajiv Dewan	-	-	0.150	0.150
Mrs. Pooja Luthra	-	-	0.150	0.150
Mr. Alok Kumar Misra	-	-	0.150	0.150
Mr. Ashish Agarwal	-	-	0.025	0.025

DIRECTORS WITH PECUNIARY RELATIONSHIP OR BUSINESS TRANSACTION WITH THE COMPANY

The Executive Directors receive salary, perquisites, allowances and other benefits in accordance with their terms of appointment, while all the Non-Executive Directors/Independent Directors receive sitting fees for attending the Board meetings. It is also to be noted that the transactions with other entities where Chairman & Managing Director/Executive Directors are interested are being carried out by the Company in its ordinary course of business and on arm's length basis, in compliance with the laws applicable thereto.

CRITERIA FOR MAKING PAYMENTS TO DIRECTORS AND KEY MANAGERIAL PERSONNEL:

As per the Nomination & Remuneration Policy of the Company, the Board, on the recommendation of the Nomination and Remuneration Committee, reviews and approves the remuneration payable to Executive Directors and Key Managerial Personnel. The Board and the committee considers the provisions of the Companies Act, 2013, the limits approved by the shareholders, and the individual and corporate performance in recommending and approving the remuneration of Executive Directors and Key Managerial Personnel. Further, the Managing Director of the Company is authorized to decide the remuneration of KMP (other than Managing/ Executive Director) and the senior management based on prevailing HR policies of the Company.

The remuneration/sitting fees, as the case may be, paid to Non-Executive/Independent Director, shall be in accordance with the provisions of the Act and the Rules made thereunder for the time being in force, or as may be decided by the committee/ Board/shareholders.

(C) Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee comprises of 3 (three) members. During the year under review, the committee met on 1 (one) occasion, viz. February 10, 2023. The committee looks into various queries/issues relating to shareholders/ investors, including non-receipt of dividend, annual report, etc. Mr. Atul Sud is the Company Secretary and Compliance Officer of the Company.

For ensuring Good Corporate governance and making Stakeholders Relationship Committee as an independent Committee, Board of directors in their meeting held on February 10, 2023 reconstituted the Committee whereby Mr. Ashish Agarwal, Independent Director was appointed as a member of the committee in place of Mr. Anoop Bector, Managing Director, Member of the Committee.

The table below highlights the composition and attendance of the members of the Committee as on March 31, 2023:

Name of Committee members	Category	No. of meetings attended
Mr. Rajiv Dewan	Non-Executive - Independent Director, Chairperson	1
Mr. Anoop Bector*	Executive - Director, Member	1
Mrs. Pooja Luthra	Non-Executive – Independent Director, Member	1
Mr. Ashish Agarwal*	Non-Executive – Independent Director, Member	Nil

*Mr. Ashish Agarwal became Member and Mr. Anoop Bector ceased to be Member of the Stakeholders' Relationship Committee w.e.f. 10.02.2023

During the year under review the Company received 4 complaints from the shareholders and all the Complaints received were resolved. So no complaint of the shareholders was pending as on 31.03.2023.

Scope and terms of reference:

The role of the Stakeholders' Relationship Committee shall include the following:

1) Considering and resolving grievances of shareholders and other security holders;

2) Redressal of grievances of the security holders of the Company, including complaints in respect of allotment of equity shares, non-receipt of declared dividends, annual reports, balance sheets of the Company, etc.;

3) Resolving the grievances of the security holders of the Company, including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.

4) Review of measures taken for effective exercise of voting rights by shareholders;

5) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent;

6) Review of various measures and initiative taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by shareholders of the Company;

7) Allotment of equity shares, approval of transfer or transmission of equity shares or any other securities;

8) Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.; and

9) Carrying out any other functions required to be undertaken by the Stakeholders' Relationship Committee under the applicable law.

(D) Corporate Social Responsibility Committee

The Board has constituted a Corporate Social Responsibility (CSR) Committee in compliance with the provisions of Section 135 of the Companies Act, 2013, comprising Mr. Parveen Kumar Goel as Chairman and Mr. Ashish Agarwal and Ms. Pooja Luthra members. The Committee met four times during the year, viz.,30.06.2022, 01.11.2022, 09.01.2023 and 24.03.2023.

Board of Directors in their meeting held on February 10, 2023 reconstituted the Corporate Social Responsibility Committee w.e.f. February 10, 2023 as tenure of Mr. Subhash Agarwal got expired on February 09, 2023 and made Mr. Parveen Kumar Goel the existing member of the Committee, as the chairperson, Ms. Pooja Luthra, Non-Executive - Independent Director and Mr. Ashish Agarwal, Non-Executive - Independent Director as the members of the Committee in place of Mr. Subhash Agarwal and Mr. Anoop Bector existing members of the Committee.

The table below highlights the composition and attendance of the members of the committee as on March 31, 2023

Name of Committee members	Category	No. of meetings attended
Mr. Parveen Kumar Goel	Executive Director, Chairperson	4
Mr. Anoop Bector	Executive Director, Chairperson	3
Mr. Subhash Agarwal	Non-Executive - Independent Director, Member	3
Mr. Ashish Agarwal	Non- Executive – Independent Director, Member	1
Ms. Pooja Luthra	Non - Executive - Independent Director, Member	1

Scope and terms of reference:

The role of the CSR committee shall include the following:

1) Formulate and recommend to the Board, a corporate social responsibility policy which shall indicate the activities to be undertaken by the Company, as specified in Schedule VII of the Companies Act, 2013;

2) Review and recommend the amount of expenditure to be incurred on the activities referred to above;

3) Monitor the corporate social responsibility policy of the Company and its implementation from time to time; and

4) Any other matter as the CSR Committee may deem appropriate, after approval of the Board, or as may be directed by the Board from time to time.

The annual report on CSR activities undertaken by the Company forms part of the Board's Report as Annexure.

(E) Risk Management Committee

The Board has constituted a Risk Management Committee, which comprises Mr. Parveen Kumar Goel as Chairperson and Mr. Ashish Agarwal and Mr. Rajiv Dewan as members of the committee.

Board of Directors in their meeting held on February 10, 2023 reconstituted the Risk Management Committee whereby Mr. Ashish Agarwal, Non-Executive Independent Director has been appointed as the member of the Committee in place of Mr. Anoop Bector, Managing Director of the Company.

The committee met twice during the year, viz.,01.08.2022 and 25.01.2023. The attendance of the members of the committee is as given below:

Name of Committee members	Category	No. of meetings attended
Mr. Parveen Kumar Goel	Executive Director, Member Chairperson	2
Mr. Rajiv Dewan	Non-Executive - Independent Director, Member	2
Mr. Anoop Bector	Executive Director, Member	2
Mr. Ashish Agarwal	Non-Executive - Independent Director, Member	Nil

Scope and terms of reference:

The role of the Risk Management Committee shall include the following:

1) To review and assess the risk management system and policy of the Company from time to time and recommend for amendment or modification thereof;

2) To frame, devise and monitor risk management plan and policy of the Company;

3) To review and recommend potential risk involved in any new business plans and processes;

4) To review and monitor cyber risk to the extent applicable to the Company; and

5) Any other similar or other functions as may be laid down by the Board from time to time and/or as may be required under the applicable law.

Governance codes

i. Policy on Code of Conduct for Directors and Senior Management:

The Company has adopted a code of conduct ("the code") for Directors and senior management, which is applicable to the Board of Directors and the senior management of the Company. The Board of Directors and the members of the senior management team of the Company are required to affirm annual compliance of this code. A declaration signed by the Managing Director of the Company to this effect is placed at the end of this report. The code requires Directors and employees to act honestly, fairly, ethically, and with integrity and conduct themselves in a professional, courteous and respectful manner. The code is displayed on the Company's website, viz. http://www.bectorfoods.com/ panel/uploads/investor/09302021074903MBFSL-Code-of-conduct-for-DirectorsandtheSeniorManagement.pdf

ii. Conflict of interests:

Each Director informs the Company on an annual basis about the Board and the committee positions he occupies in other companies, including chairmanships and notifies changes during the year, if any. The members of the Board while discharging their duties, avoid conflict of interest in the decision-making process. The members of Board restrict themselves from any discussions and voting in transactions in which they have concern or interest.

iii. Insider trading code:

The Company has adopted a policy for the prevention of insider trading, an internal code of conduct for regulating, monitoring and reporting of trades by designated persons ("the PIT code") in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time ("the PIT regulations"). The code is applicable to promoters, member of promoter's group, all Directors and such designated persons who are expected to have access

to unpublished price sensitive information relating to the Company. The Company Secretary is the Compliance Officer for monitoring adherence to the said PIT regulations. The Company has put in place adequate and effective system of internal controls to ensure compliance with the requirements of the PIT regulations. A structured digital database is being maintained by the Company, which contains the names and other particulars as prescribed of the persons covered under the codes drawn up pursuant to the PIT regulations.

The Company has formulated a policy and procedure for inquiry in case of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information ('UPSI'). The policy is formulated to maintain ethical standards in dealing with sensitive information of the Company by persons who have access to UPSI. The rationale of the policy is to strengthen the internal control systems to ensure that the UPSI is not communicated to any person except in accordance with the insider trading norms.

3. SUBSIDIARY COMPANIES

The Company has three subsidiary companies, viz.:

i. Bakebest Foods Private Limited

ii. Mrs. Bectors English Oven Limited

iii. Mrs. Bectors Food International (FZE)

The composition of the Board of Directors of Bakebest Foods Private Limited is as under:

Name of Directors	Designation
Mr. Anoop Bector	Managing Director
Mr. Ashish Agarwal	Chairman and Non-Executive Independent Director
Mr. Nem Chand Jain	Non-Executive Independent Director
Mr. Ram Sajeevan Verma	Wholetime Director

The composition of the Board of Directors of Mrs. Bectors English Oven Limited is as under:

Name of Directors	Designation
Mr. Anoop Bector	Director
Mr. Parveen Kumar Goel	Director
Mr. Shantilal Sukalal Chaudhari	Director

4. GENERAL BODY MEETINGS

A. THE DETAILS OF THE LAST THREE ANNUAL GENERAL MEETING(S) OF THE COMPANY ARE GIVEN AS FOLLOWS:

Financial year	Day & date	Time	Venue	No. of special resolutions passed
2021-2022	Friday 30.09.2022	11:00 hours (IST)	Through VC	5
2020-2021	Thursday 05.08.2021	11:00 hours (IST)	Through VC	5
2019-2020	Friday 16.10.2020	11:00 hours (IST)	Through VC	8

B. POSTAL BALLOT/EXTRA-ORDINARY GENERAL MEETING

Approval of Members of the Company were accorded through Postal Ballot for Appointment of Mr. Ashish Agarwal (DIN:00775296) as a Non-Executive Independent Director. The results of the Postal Ballot were declared by the Scrutinizers on 30th March, 2023.

5. MEANS OF COMMUNICATION

(a) The un-audited quarterly/half yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within sixty days from the closure of the financial year, as per the requirement of the listing regulations.

(b) The approved financial results are sent to the stock exchanges forthwith and published in 'Financial Express' (English newspaper) and Desh Sewak (local language Punjabi newspaper) within forty-eight hours of approval thereof. The Company's financial results and official press releases are displayed on the Company's website: www.bectorfoods.com.

(c) Investor presentations, official press releases and other general information are sent to the stock exchange(s) and are also displayed on the Company's website: www.bectorfoods.com

(d) Management Discussion and Analysis report forms a part of the annual report.

(e) The quarterly results, shareholding pattern, quarterly compliances and all other corporate communication to the stock exchanges, viz. BSE Limited and National Stock Exchange of India Limited are filed electronically. The Company has complied with filing submissions through BSE's BSE Listing Centre. Likewise, the said information is also filed electronically with NSE through NSE's NEAPS portal.

(f) A separate dedicated section under "Financial Performance", on the Company's website gives information on shareholding pattern, quarterly/half yearly results and other relevant information of interest to the investors/public.

(g) SEBI processes investor complaints in a centralised web-based complaints redressal system, i.e. SCORES. Through this system a shareholder can lodge a complaint against the Company for redressal of his grievance. The Company uploads the action taken report on the complaint, which can be viewed by the shareholder. The Company and shareholder can seek and provide clarifications online through SEBI.

(h) The Company has designated an email-ID for investor services, i.e. atul.sud@bectorfoods.com and the same is prominently displayed on the Company's website, i.e. www.bectorfoods.com

6. GENERAL SHAREHOLDER INFORMATION

(i) 28th Annual General Meeting: Friday, 29th day of September, 2023, at 11:00 AM through VC/OAVM

(ii) Financial year: April 1, 2022 to March 31, 2023

(iii) Results for the quarter ending (tentative):
30th June, 2023 – First week of August, 2023
30th September, 2023 – Second week of November, 2023 31st December, 2023 – Second week of February, 2024 31st March, 2024 – Fourth week of May, 2024

(iv) Dividend payment record date: Friday, 22nd September, 2023

Date of book closure: Saturday, September 23, 2023 to Friday, September 29, 2023 (both days inclusive)

(v) Listing on stock exchanges: The equity shares of the Company are listed on the following stock exchanges:-
BSE Limited (BSE)
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.
National Stock Exchange of India Limited (NSE) Exchange Plaza, Bandra – Kurla Complex, Bandra (E), Mumbai - 400 051.

(vi) ISIN : INE495P01012
Stock Code/Symbol: BSE- 543253 NSE- BECTORFOOD

(vii) Listing fee/Annual custody fee:
The annual listing fee has been paid to the BSE and NSE for the financial year 2023-2024. The Company has also made the payment of annual custody fee to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for the financial year 2023-24.

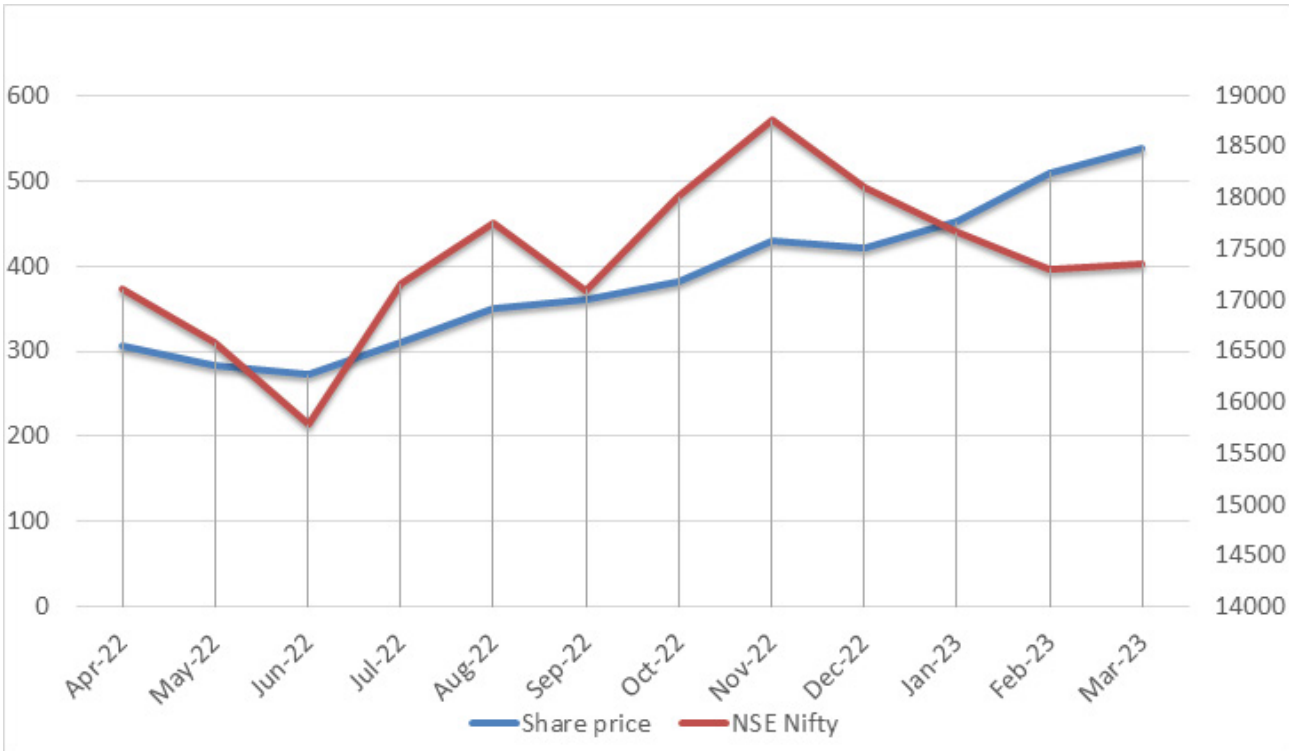
(viii) Market price data:
The details of monthly high/low market price of the equity shares of the Company at BSE Ltd (BSE) and at the National Stock Exchange of India Ltd (NSE) for the year under review is provided hereunder:

(Rs. in million)

Financial year 2022-23	NSE			BSE		
	High	Low	Close	High	Low	Close
April-22	309.10	302.00	305.65	373.00	281.30	303.75
May-22	288.45	283.05	284.05	345.05	274.00	285.65
June-22	276.20	268.75	272.80	294.50	245.00	270.65
July-22	316.95	308.70	311.10	319.00	268.85	315.00
August-22	356.40	347.00	350.30	374.00	311.50	348.35
September-22	366.70	352.05	359.75	390.45	340.10	361.65
October-22	389.90	380.00	382.35	404.80	352.00	380.50
November-22	437.95	430.40	430.35	439.30	378.40	434.60
December-22	425.35	418.00	420.20	451.45	388.75	419.60
January-23	480.60	452.30	451.70	484.00	416.95	471.05
February-23	517.95	498.00	509.60	556.75	447.10	500.75
March-23	557.70	530.10	538.55	574.20	501.95	535.40

(ix) Performance of the Company's equity share price in comparison to BSE and NSE indices:

Company's Share Price vs NSE Nifty



Company's Share Price vs BSE Sensex



(x) Registrar to Issue and Transfer Agent

The work related to share transfer registry in terms of both physical and electronic mode is being dealt with by M/s. Link Intime India Private Limited at the address given below:
Link Intime India Pvt Ltd
Noble Heights, 1st Floor, Plot No. NH-2, C-1 Block, LSC Near Savitri Market, Janakpuri, New Delhi- 110058
Phone: 1149411000
E-mail: delhi@linkintime.co.in

(xi) Share Transfer System:

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, securities can be transferred only in dematerialised form w.e.f. April 1, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialised form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. As at 31st March, 2023, no equity shares were pending for transfer.

The shares of the Company are traded on the stock exchanges compulsorily in demat form. The Company has participated as an issuer both with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The shareholders may operate through any of the depositories, based on tariffs, quality and range of services being offered by them. The International Securities Identification Number (ISIN) of the Company is INE495P01012.

(xii) Distribution of shareholding as on March 31, 2023

Range (No. of shares)	Shareholders		Equity shares of Rs. 10/- each	
	No. of shareholders	Percentage (%)	No. of shares	Percentage (%)
Upto-500	79,611	95.04	50,03,458	8.51
501-1000	2,250	2.69	16,79,881	2.86
1001-5000	1,572	1.88	30,33,235	5.16
5001-10000	156	0.19	11,45,668	1.95
10000-above	177	0.21	4,79,55,232	81.53
Total	83,766	100.00	5,88,17,474	100.00

(xiii) Dematerialization of shares:

As on March 31, 2023, 100% of the equity share capital were dematerialized.

(xiv) Shareholding pattern as on March 31, 2023

Sl. No.	Category	No. of Shares held	%
1	Promoter and Promoter Group	3,00,77,754	51.14%
2	Public Shareholding:		
A	Institutions		
(a)	Mutual Funds	75,75,825	12.88%
(b)	Alternate Investment Funds	17,81,136	3.03%
(c)	Foreign Portfolio Investors	33,19,369	5.64%
(d)	Insurance Companies	1,21,690	0.21%
	Subtotal (A)	1,27,98,020	21.76%
B	Non Institutions		
(a)	Individuals	1,28,59,516	21.86%
(b)	NBFCs registered with RBI	20,000	0.03%
(c)	Hindu Undivided Family	3,32,395	0.56%
(d)	Non Resident Indians	9,74,071	1.66%
(e)	Bodies Corporate	16,29,123	2.77%
(f)	Others	1,26,595	0.22%
	Subtotal (B)	1,59,41,700	27.10%
	Grand Total	5,88,17,474	100.00%

(xv) Outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity;

The Company has not issued any global depository receipts or American depository receipts or warrants or any convertible instruments during the year.

(xvi) Plant locations:

The plants of the Company are located at:

(a) Phillaur: Theing Road, Phillaur, Jalandhar 144 410, Punjab

(b) Tahliwal: Plot No. 13, Industrial Area 1 & 2, Tahliwal, Distt. UNA- 174507 (HP)

(c) Rajpura: Dakhil Kammi Kalan, Gobindgarh, Rajpura, Patiala- 140702, Punjab

(d) Noida- 11-A Udyog Vihar, Greater Noida, Gautam Budh Nagar- 201306 (UP)

(e) Mumbai: Bakebest Foods Pvt Ltd, Village Vadval, Khalapur, Khopali, Raigad- 410203, Maharashtra (Subsidiary Company)

(f) Bengaluru: Plot No. 116, Bommasandra Jigani Link Road, KIADB Industrial Area, Anekal Taluk, Jigani, Bengaluru- 560105

(xvii)Address of correspondence: Shareholders' correspondence may be addressed to:

(a) Registrar and Transfer Agent- Link Intime India Pvt Ltd, Noble Heights, 1st Floor, Plot No. NH-2, C-1 Block, LSC Near Savitri Market, Janakpuri, New Delhi- 110058

(b) Registered Office- Theing Road, Phillaur, Jalandhar 144 410, Punjab, India

(c) Corporate Office- 1st Floor, Emaar Digital Greens Tower-A, Golf Course Extension Road, Sector 61, Gurugram, Haryana-122102

(xviii) Credit ratings:

During the year under review, the credit rating assigned to the Company by rating agencies are as follows:

Bank facilities	CRISIL rating		ICRA rating	
	Revised	Previous	Revised	Previous
Long Term rating	CRISIL AA-/Stable	CRISIL AA-/Stable	[ICRA] AA- (Stable)	[ICRA] A+ (Positive)
Short term rating	CRISIL A1+	CRISIL A1+	[ICRA] A1+	[ICRA] A1+

The detailed report(s) of credit rating obtained by the Company can be accessed at www.bectorfoods.com

7. CODE OF BUSINESS CONDUCT & ETHICS

The Company has adopted a Code of Business Conduct & Ethics for all employees and for members of the Board and senior management personnel. The Company, through its Code of Conduct, provides guiding principles of conduct to promote ethical conduct of business, confirms to equitable treatment of all stakeholders, and to avoid practices like bribery, corruption and anti- competitive practices.

All members of the Board and senior management personnel have affirmed compliance with the Code of Conduct for Board and senior management for the financial year 2022-2023. The declaration to this effect signed by Mr. Anoop Bector, Promoter & Managing Director of the Company, is annexed to this report as Annexure 'A'. The Code of Conduct for employees and the Board and senior management has clear policy and guidelines for avoiding and disclosing actual or potential conflict of interest with the Company, if any.

8. OTHER DISCLOSURES

a. Compliances with Governance Framework

The Company is in compliance with all mandatory requirements under the listing regulations.

b. Related Party Transactions

All transactions entered into with the related parties, as defined under the Act and Regulation 23 of the Listing Regulations, during the financial year were on arm's length basis and are in compliance with the requirements of the provisions of Section 188 of the Act.

Transactions with related parties entered in the ordinary course of business have been disclosed under significant accounting policies and notes forming part of the Standalone Financial Statements in accordance with "IND AS".

There were no materially significant transactions with related parties during the financial year. There were no materially significant transactions made by the Company with its promoters, Directors or management, and their relatives etc., that may have potential conflict with the interest of the Company at large.

As required under Regulation 23(1) of the listing regulations, the Company has formulated a policy on related party transactions and the same is available on the Company's website and can be accessed at http://www.bectorfoods.com/panel/uploads/ investor/09302021075757MBFSL-PolicyonMaterialityofRPT.pdf

In addition, pursuant to Regulation 23(9) of the Listing Regulations, the Company has also submitted its standalone and consolidated financial results for the half year, disclosures of related party transactions on a consolidated basis in the format specified in the relevant accounting standards for annual results and also published it on the website of the Company.

c. Details of Non-Compliance, Penalties, Strictures Imposed by the Stock exchange(s) or SEBI or any Statutory Authority on any Matter Related to Capital Markets since Listing.

The Company has complied with all requirements specified under the listing regulations as well as other regulations and guidelines of SEBI. Consequently, there were no strictures or penalties imposed by either SEBI or stock exchanges or any statutory authority for non-compliance of any matter related to the capital markets during the last three financial years.

d. Whistle Blower Policy / Vigil Mechanism

In line with the provisions of the SEBI Listing Regulations, the Act and other SEBI regulations and principles of good governance, the Company has formulated a robust vigil mechanism for reporting of concerns through the whistle blower policy of the Company. The policy provides for framework and process to encourage and facilitate its employees and Directors to voice their concerns or observations without fear, or raise reports to the management, of instance of any unethical or unacceptable business practice or event of misconduct/ unethical behaviours, actual or suspected fraud and violation of the Company's code of conduct, etc. The policy provides for adequate safeguards against victimisation of persons who avail such mechanism and provides for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

During the year under review, none of the personnel has been denied access to the Chairperson of the Audit Committee. The policy is placed on the website of the Company at https://www.bectorfoods.com/panel/uploads/investor/09302021075908MBFSL-VigilMechanismandWhistleBlowerPolicy.pdf under the 'Investors' tab.

e. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company is committed to ensuring that all employees work in an environment that not only promotes diversity and equality, but also mutual trust, equal opportunity and respect for human rights. The Company is also committed to providing a work environment that ensures every woman employee is treated with dignity, respect and accorded equal treatment.

The Company has formulated a policy on prevention of sexual harassment in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to ensure prevention, prohibition, and redressal against sexual harassment. Awareness programmes are organised to sensitise employees'. During the year under review, no complaints of any nature were received under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

f. Accounting Treatment:

The financial statements of the Company for FY 2022-23 have been prepared in accordance with the applicable accounting principles in India and the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with the rules made thereunder.

The Company has followed accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 ('the Act') and other relevant provisions of the Act. The significant accounting policies which are consistently applied are set out in the notes to the financial statements.

g. Compliance with Secretarial Standards

The Institute of Company Secretaries of India, a statutory body, has issued Secretarial Standards (SS) on various aspects of corporate law and practices. The Company has complied with the SS -1 on Board meetings and SS - 2 on general meetings.

h. Insider Trading Code

The Company has adopted 'The Code of Conduct for Regulating, Monitoring and Reporting of trading by Designated Persons' ("Code of Conduct") in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time ("SEBI Insider Regulations"). The code of conduct is applicable to designated persons as defined therein.

The Company has also formulated 'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' ("the Code") in compliance with the SEBI Insider Regulations. This code is uploaded on the website of the Company - at https://www.bectorfoods.com/panel/uploads/investor/09302021075631MBFSL-PolicyforPreventionofInsiderTrading.pdf. The Company has also formulated "Policy and Procedure for Dealing with leak of Unpublished Price Sensitive Information".

The Company's code of conduct, inter alia, prohibits dealing in securities of the Company by the designated persons defined therein while in possession of unpublished price sensitive information.

i. Web link where policy for determining 'material' subsidiaries is disclosed:

https://www.bectorfoods.com/panel/uploads/investor/09302021075604MBFSL-PolicyforDeterminingMaterialSubsidiaries.pdf

j. Web link where policy on dealing with related party transactions is disclosed:

http://www.bectorfoods.com/panel/uploads/investor/09302021075757MBFSL-PolicyonMaterialityofRPT.pdf

k. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A). - Not applicable.

l. There was no such instance during FY 2022-2023 when the Board had not accepted any recommendation of any committee of the Board.

m. Certificate from PCS regarding disqualification of Directors:

A certificate has been received from M/s. B.K. Gupta & Associates, Company Secretaries, Ludhiana, a firm of Company Secretaries in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such statutory authority. The said certificate is appended to this report.

n. Recommendations of committees of the Board

During the year under review, there were no instances where the Board did not accept any recommendations of any committeesof the Board which were mandatorily required.

o. Fees to Statutory Auditors

The details of total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to M/s. BSR & Co. LLP, Chartered Accountants, Statutory Auditors of the Company and all the entities in the network firm/network entity of which Statutory Auditor is a part is as under:

(Rs. in million)

Name of Company or its subsidiaries obtaining service	Name of Statutory Auditor	Payment to auditors in the year 2022-23	Payment to auditors in the year 2021-22
Mrs. Bectors Food Specialities Limited	M/s. BSR & Co. LLP, Chartered Accountants	8.42	6.67
Bakebest Foods Private Limited	M/s. BSR & Co. LLP, Chartered Accountants	1.29	0.57

9. DISCRETIONARY REQUIREMENTS UNDER THE LISTING REGULATIONS 2015

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub- regulation (2) of Regulation 46 of the Listing Regulations. The corporate governance report of the Company for the year 2022-23 or as on March 31, 2023 are in compliance with the applicable requirements of SEBI as per listing regulations.

The following non-mandatory requirements under Part E of Schedule II of the listing regulations to the extent they have been adopted are mentioned below:

i) The Board: The requirement relating to maintenance of office and reimbursement of expenses of Non-Executive Chairman is not applicable to the Company since the Chairman of the Company is an Independent Director.

ii) Shareholder rights: The Company has not adopted the practice of sending out half-yearly declaration of financial performance to shareholders. Quarterly results as approved by the Board are disseminated to the stock exchanges and updated on the website of the Company.

iii) Modified opinion(s) in the audit report: There are no modified opinions in the audit report.

iv) Reporting of Internal Auditor: In accordance with the provisions of Section 138 of the Act, the Company has appointed an Internal Auditor who reports to the Audit Committee. Quarterly internal audit reports are submitted to the Audit Committee, which reviews the audit reports and suggests necessary action.

10. DISCLOSURE ON COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENT

i. The Company has complied with the requirements specified in Regulations 17 to 27 and Regulation 46 of Listing Regulations as applicable.

ii. Compliance certificate by Practicing Company Secretary- Certificate from M/s. B.K. Gupta & Associates, Company Secretaries, Ludhiana, a firm of Company Secretaries in Practice, confirming compliance with conditions of Corporate Governance, as stipulated under Regulation 34 of the Listing Regulations, is attached to this report.

For and on behalf of the Board of Directors
For **Mrs. Bectors Food Specialities Limited**

Sd/-
(Ashish Agarwal)
Chairman
(DIN: 00775296

Place: Phillaur
Date: 04.09.2023

MANAGING DIRECTOR'S DECLARATION

Pursuant to the requirement of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that all Board members and senior management personnel of the Company (as defined in the above said regulations) have affirmed compliance with the Code of Conduct for Board of Directors and senior management personnel' for the year ended 31st March, 2023.

Sd/-
Anoop Bector
Managing Director

Place: Phillaur
Date: 25.05.2023

PRACTISING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE

(Pursuant to Clause 10 of Part C of Schedule V of SEBI (LODR) Regulations, 2015)

To,
The Members of
Mrs. Bectors Food Specialities Limited
Theing Road, Phillaur, Distt. Jalandhar

We have examined the compliance of the conditions of Corporate Governance by Mrs. Bectors Food Specialities Limited ('the Company') for the year ended on March 31, 2023, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2023.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **B.K. Gupta & Associates**
Company Secretaries
Peer Review No: - S2003PB540600

Sd/-
(CS Bhupesh Gupta)
FCS: 4590
CP No: - 5708
UDIN: - F004590E000812826

Place: - Ludhiana
Date: - 17.08.2023

MD / CFO CERTIFICATE

Under Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015

To,
The Board of Directors,
Mrs. Bectors Food Specialities Limited

1. We have reviewed financial statements and the cash flow statement of Mrs. Bectors Food Specialities Limited for the year ended on 31st March, 2023 and that to the best of our knowledge and belief:
   a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   b. these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the auditors and the Audit committee:
   i. that there are no instances of significant fraud of which we have become aware.

Sd/-
Anoop Bector
(Managing Director)
(DIN: 00108589)

Sd/-
Parveen Kumar Goel
(Wholetime Director & Chief Financial Officer)
(DIN: 00007297

Place: Phillaur
Date: 25.05.2023

ANNEXURE TO CORPORATE GOVERNANCE REPORT CERTIFICATE FOR NON- DISQUALIFICATION OF DIRECTORS

Practising Company Secretaries' Certificate on Directors

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Board of Directors
Mrs. Bectors Food Specialities Limited
Theing Road, Phillaur, Jalandhar, Punjab

We have examined the relevant registers, records, forms, returns and disclosures received the directors of Mrs. Bectors Food Specialities Limited having CIN L74899PB1995PLC033417 and having registered office at Theing Road, Phillaur, Distt. Jalandhar -144410 in (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. No.	Name of Director	DIN	Designation	Date of appointment in Company
1	Mr. Anoop Bector	00108589	Executive Director, MD	19.09.1995
2	Mr. Subhash Aggarwal**	02782473	Non- Executive, Independent Director	10.02.2017
3	Mr. Ashish Agarwal*	00775296	Non- Executive, Independent Director	10.02.2023
4	Mr. Ishaan Bector	02906180	Executive Director	15.02.2016
5	Mr. Suvir Bector	08713694	Executive Director	01.04.2021
6	Mr. Parveen Kumar Goel	00007297	Executive Director	01.05.2008
7	Mr. Rajiv Dewan	00007988	Non- Executive, Independent Director	10.07.2018
8	Mrs. Pooja Luthra	03413062	Non- Executive, Independent Director	19.09.2020
9	Mr. Alok Kumar Misra	00163959	Non- Executive, Independent Director	11.02.2022

* Mr. Ashish Agarwal has been appointed as an Independent Director of the Company for period of five years w.e.f 10.02.2023 to 09.02.2028. His appointment was approved by the members of the company through Postal Ballot held on 30.03.2023.

** Mr. Subhash Agarwal, Independent Director of the Company (whose second tenure expired on 09.02.2023) has ceased to be a Director of the Company with effect from the close of business hours on February 9, 2023

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

For **B.K. Gupta & Associates**
Company Secretaries
Peer Review No: - S2003PB540600

Sd/-
(CS Bhupesh Gupta)
FCS: 4590
CP No: - 5708
UDIN: - F004590E000812826

Place: - Ludhiana
Date: - 17.08.2023

Business Responsibility and Sustainability Report (BRSR) FY 2022-23

SECTION A General disclosures

SECTION B Management and process disclosures

SECTION C Principle-wise performance disclosure

Principle 1	Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent, and accountable
Principle 2	Businesses should provide goods and services in a manner that is sustainable and safe
Principle 3	Businesses should respect and promote the well-being of all employees, including those in their value chains
Principle 4	Businesses should respect the interests of and be responsive to all its stakeholders
Principle 5	Businesses should respect and promote human rights
Principle 6	Businesses should respect and make efforts to protect and restore the environment
Principle 7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
Principle 8	Businesses should promote inclusive growth and equitable development
Principle 9	Businesses should engage with and provide value to their consumers in a responsible manner

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: General Disclosures

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Company	L74899PB1995PLC033417
2.	Name of the Company	Mrs. Bectors Food Specialities Limited
3.	Year of Incorporation	1995
4.	Registered office address	Theing Road, Phillaur, Punjab-144410
5.	Corporate office address	1st Floor, Emaar Digital Green, Tower-A, Golf Course Extension Road, Sector 61, Gurugram, Haryana-122102 India
6.	E-mail	atul.sud@bectorfoods.com
7.	Telephone	+91-1826 225418 +91-1826 222826
8.	Website	www.bectorfoods.com
9.	Financial year for which reporting is being done	1st April, 2022 to 31st March, 2023
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited (BSE) and National Stock Exchange of India Limited (NSE)
11.	Paid-up Capital	INR 58,81,74,740/-
12.	Name and contact details (telephone, email address) of the person for BRSR Reporting	Name: Atul Sud Position: Company Secretary & Compliance Officer Phone Number: +91-1826 222826 Email: atul.sud@bectorfoods.com
13.	Reporting boundary	Mrs. Bectors Food Specialities Limited on consolidated basis

II. Products/Services

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% Of Turnover of the entity
1.	Biscuits and Bakery Products	The Company manufactures and sells biscuit and bakery products across 28 states and 4 union territories in India and exports to 69 countries in the world	100%

15. Products/Services sold by the entity (accounting for 90% of the turnover):

S. No.	Product/Services	NIC Code	% Of total turnover contributed
1.	Biscuit and Bakery Products	1071	100%

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

The company's operations are spread across the country including plants and corporate offices.

S. No.	Location	Number of plants	Number of offices	Total
1.	National	6	1	7
2.	International	0	1	1

17. Markets served by the entity

a. Number of locations

S. No.	Number of Locations served	Number
1.	National (Number of states)	28 states and 4 union territories
2.	International (Number of countries)	69

b. What is the contribution of exports as a percentage of the total turnover of the entity?

In the year 2022-23, 27% of the total turnover is the contribution of exports for the company.

c. A brief on types of customers

Mrs. Bectors Foods' biscuit and bakery products are served to various institutions, canteen store departments, Modern Trade, QSR chains, food franchises and large and small distributors across the globe.

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total	Male		Female	
		(A)	No. (B)	% (B/A)	No. (C)	% (C/A)
	Employees					
1.	Permanent (D)	1058	1031	97%	27	3%
2.	Other than permanent (E)	All employees at MBFSL and its subsidiary Companies are permanent employees				
3.	Total employees (D+E)	1058	1031	97%	27	3%
	Workers					
4.	Permanent (F)	1446	1088	75%	358	25%
5.	Other than permanent (G)	2922	2583	88%	339	12%
6.	Total workers (F+G)	4368	3671	84%	697	16%

b. Differently abled Employees and workers:

S. No.	Particulars	Total	Male		Female	
		(A)	No. (B)	% (B/A)	No. (C)	% (C/A)
	Differently abled Employees					
1.	Permanent (D)	0	0	0%	0	0%
2.	Other than permanent (E)	0	0	0%	0	0%
3.	Total Differently abled employees (D+E)	0	0	0%	0	0%

S. No.	Particulars	Total (A)	Male No. (B)	Male % (B/A)	Female No. (C)	Female % (C/A)
	Differently abled Workers					
4.	Permanent (F)	0	0	0%	0	0%
5.	Other than permanent (G)	0	0	0%	0	0%
6.	Total Differently abled workers (F+G)	0	0	0%	0	0%

19. Participation/Inclusion/Representation of women

	Total No. (A)	No. and percentage of Females No. (B)	% (B/A)
Board of Directors	8	1	12.5%
Key Management Personnel	6*	0	0 %

* Key Management Personnel includes 4 executive directors who are counted under BODs

20. Turnover rate for permanent employees and workers

Category	FY 2023 Male (%)	FY 2023 Female (%)	FY 2023 Total (%)	FY 2022 Male (%)	FY 2022 Female (%)	FY 2022 Total (%)	FY 2021 Male (%)	FY 2021 Female (%)	FY 2021 Total (%)
Permanent employees	28%	27%	28%	21%	36%	21%	14%	26%	14%
Permanent workers	22%	22%	22%	25%	20%	23%	12%	18%	14%

V. Holding, Subsidiary and Associate Companies (including Joint ventures)

21. Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures	Is it a holding/ Subsidiary/ Associate/ Joint Venture	% Of shares held b y listed entity	Does the entity participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Mrs. Bectors English Oven Limited	Subsidiary	100%	Yes
2.	Bakebest Foods Private Limited	Subsidiary	100%	Yes
3.	Mrs. Bectors Food International (FZE)	Subsidiary	100%	Yes
4.	Cremica Agro Food Limited	Associate	43.09%	No

VI. CSR details

22. I. Whether CSR is applicable as per section 135 of Companies Act, 2013

Yes, CSR is applicable as per Section 135 of Companies Act, 2013.

II. If yes Turnover and Net worth of the Company on consolidated basis:

Turnover- INR 1362 Crore

Networth- INR 544 Crore

III. Turnover and Net worth of the Companies on which it is applicable:

1. Mrs. Bectors Food Specialities Limited

   Turnover– INR 1264 Crores

   Net worth – INR 510 Crores

2. Bakebest Foods Private Limited (100% wholly owned subsidiary of Mrs. Bectors Food Specialities Limited)

   Turnover– INR 97.66 Crores

   Net worth – INR 50.48 Crores

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (principles 1 to 9) under the National Guidelines on Responsible Business Conduct (NGBRC):

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 2023			FY 2022		
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
Communities	Yes The communities have access to the company's website, a dedicated phone number helpline and company representatives at each plant location through which they can register complaints or address any grievances. https://www.bectorfoods.com/contact	0	-	-	0	-	-
Investors	Yes The Company has designated an email-ID for investor services, i.e., atul.sud@bectorfoods.com and the same is prominently displayed on the Company's website, https://www.bectorfoods.com/contact	0	-	-	0	0	-
Shareholders	Yes MBFSL's Stakeholders' Relationship Committee considers and resolves the grievances of the shareholders of the company	4	0	All the complaints received from shareholders were resolved and the shareholders were satisfied.	10	0	All the complaints received from shareholders were resolved and the shareholders were satisfied.
Employees and workers	Yes MBFSL has a grievance handling and ICC Committee to address employee concerns and complaints pertaining to human rights, working conditions and labor practices	8	0	Complaints received from employees were immediately resolved by the company	6	0	Complaints received from employees were immediately resolved by the company
Customers	Yes MBFSL has process in place to receive and address complaint pertaining to product quality and other concerns through email and customer care phone number. This grievance addressal is through official company website and retail pack labels for all the products. https://www.bectorfoods.com/contact	648	0	All the complaints were resolved during the year	672	0	All the complaints were resolved during the year
Value Chain Partners	Yes MBFSL has process in place to receive and address complaint pertaining to product quality and other concerns through email and customer care phone number. This grievance addressal is through official company website and retail pack labels for all the products. https://www.bectorfoods.com/contact Yes Value chain partners such as suppliers are encouraged to bring to notice any complaints or issues with the concerned MBFSL representative, through company's website or through the helpline number at any time during the contract as well post the contract https://www.bectorfoods.com/contact	0	-	-	0	-	-

24. Overview of the entity's material responsible business conduct issues

MBFSL carried out the materiality assessment to identify ESG material issues and understand the relative importance of these issues to its stakeholders. For all the material issues, there are specific initiatives and indicators to track the issues identified

S. No.	Material issue identified	Is it risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Food Safety and Quality for consumers	Risk and opportunity	Risk: Being a food product company, it is essential for MBFSL to maintain high standards of food quality and safety. If the standards are not met, there is health risk for the consumers leading to dissatisfaction, complaints and even legal actions against the company Opportunity: Having internationally recognized certifications to govern our food quality and safety would increase our brand value and make us a preferred company for our customers	Adoption of food safety and quality management systems and regular food safety and quality audits at each of the manufacturing units	Negative: Breach of any safety standard would hamper the company's reputation and finances Positive: Compliance of proper regulations would enable us to grow our business
2.	Waste management	Risk and Opportunity	Risk: Rapidly changing regulations around EPR in India and non-compliance risk of such regulations Opportunity: Reduced waste generation through more efficient resource use would enable us to achieve circular economy	Adopt measures to collect waste and segregate it by waste type. Ensure that all types of waste is diverted from landfill by recycling or reusing the waste	Positive: Innovative waste-reduction solutions and the implementation of the 3R waste-management philosophy (Reduce, Reuse, and Recycle) may result in resource optimization and cost savings. Negative: Any mismanagement of hazardous trash may endanger people's health or result in noncompliance. The outcome may have a negative financial impact.
3.	Corporate Governance	Opportunity	Strong and efficient senior management would enable us to achieve our goals promptly and swiftly	Setup of a committee to oversee sustainability initiatives and ensure the sustainability targets and goals are met	Positive: Strong governance would lead us to excellence and expansion of our business
4.	Emissions and Energy	Risk and Opportunity	Risk: Energy demand of MBFSL is mostly satisfied by grid power, diesel and gas. All these fuels emit significant GHG emissions. With increased regulations and national targets on reducing the emissions; the company will need to transition to renewable sources of energy and reduce its emissions from operations. Opportunity: To combat climate change, there is an opportunity to progress towards energy efficiency, the use of renewable energy, more efficient material use, and hybrid technologies.	Transitioning to solar energy, electric vehicles and other adoption of energy efficiency measures across the operations	Positive: Investments in green energy technology and solutions are expanding in response to environmental and sustainability concerns, which are also cost effective and long term. Negative: Given the government's goal of achieving net zero GHG emissions by reducing GHG emissions, we are taking steps to reduce our reliance on fossil fuels. This necessitates further investments.
5.	Human rights & Fair Labor Practices	Risk	Responsibility for identifying and managing Human Rights risks in its operations and supply chain, as well as mitigating negative risks and resultant damages. Not only this but the changing human rights regulations pose a challenge.	Ensure that the workforce is trained in human rights, and the training is extended to value chain partners as well. Address any human rights issues arising through a grievance mechanism and conduct due diligence across operations in the near future	Negative: Any breach can jeopardize the organization's reputation and finances.
6.	Sustainable Agriculture & Sourcing	Risk and Opportunity	Risk: Non availability of ethical and sustainable ingredients could lead to disruptions in the operations. Also, fluctuations in price and availability of raw materials is a risk for the company Opportunity: Having internationally recognized certifications to govern our food quality and safety would increase our brand value and make us a preferred company for our customers	Increase the use of sustainable ingredients by investing in research and development. Initiate initiatives to sensitize the farmers on sustainable agriculture practices	

SECTION B: Management and process disclosures

This section is aimed at helping businesses demonstrate the structures, policies, and processes put in place towards adopting the NGRBC principles and core elements. These are briefly as under:

P1	Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent, and accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive to all its stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect and make efforts to protect and restore the environment
P7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

Policy and Management processes

	Points	P1	P2	P3	P4	P5	P6	P7	P8	P9
1. (a)	Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
1 (b)	Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
1 (c)	Web Link of the Policies, if available	The policies of the Company can be accessed through the link i.e., https://www.bectorfoods.com/investors								
2.	Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Name of the national and international codes/certifications/ labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	All the Policies have been made as per the National Guidelines on Responsible Business Conduct, 2019 released by the Ministry of Corporate Affairs. In addition, the company's policies are in line with the National and International governance standards like FSSC 22000, BRCGS, SEDEX, FSSAI standards, RSPO, RA etc.								
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	MBFSL has embarked on their sustainability journey and has committed to specific goals and targets on sustainability areas such as food safety and quality, water management, circular packaging, waste reduction, sustainable sourcing, diversity and inclusion, health and safety of employees, human rights, health & nutrition, community development, responsible marketing, risk management, and data privacy and security.								
6	Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	MBFSL has committed to measure its performance on sustainability KPIs against the goals and targets set. The company will be reporting on these KPIs going forward.								

Governance, leadership, and oversight

7	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure)	We are working together to create a brighter future that goes beyond the mainstream approach of profitability to include sustainability, inclusivity, and prosperity. We have long believed that sustainability and growth go hand in hand, and that an organization's long-term performance is heavily influenced by how proactively it reacts to its environmental, social, and governance dimensions. As a result, we have taken deliberate steps to combat disparities within and beyond the organization, gain and maintain the trust of our stakeholders, and create a greener future. We believe in leading by example and providing solutions in the form of leading, sustainable, and trustworthy products in our industry, hence strengthening our brand.

8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (is).	MBFSL has implemented robust internal control system methods and best-in-class processes that are proportionate to the size and scale of its operations. At the Company, Mr. Manu Talwar (Chief Executive Officer) oversees the Business Responsibility policy and decisions.
9	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	The Company does not have any specified committee of the Board. However, the CSR Committee of the Company provides oversight on issues related to sustainability.

10 Details of Review of NGRBCs by the Company

	Subject for Review	a. Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee								
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y

	Subject for Review	b. Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Performance against above policies and follow up action	Yes, policies are internally assessed and updated/modified in response to changing business circumstances.								
2	Compliance with statutory requirements of relevance to the principles, and the rectification of any non-compliances	The Company is in compliance with applicable laws and regulations								

11	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
		Y	Y	Y	Y	Y	Y	Y	Y	Y

The company has robust review mechanisms and internal audit processes to evaluate its policies. The policies are reviewed by independent third-party firms periodically.

12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:

	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The entity does not consider the principles material to its business (Yes/No)	NA								
2	The entity is not at a stage where it is able to formulate and implement the policies on specified principles (Yes/No)									
3	The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
4	It is planned to be done in the next financial year (Yes/No)									
5	Any other reason (please specify)									

SECTION C: Principle-wise performance disclosure

Principle 1: Business should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year

S. No.	Segment	Total number of training & awareness programmes held	Topics / principles covered under the training	% Of persons in respective category covered by the awareness programmes
1	Board of Directors	1	Business Responsibility and Sustainability	100%
2	Key Managerial Personnel	6	The KMP participated in sessions on the Company's Code of Conduct, business ethics, risk, strategy, ESG matters, workplace conduct, and law and compliance. These topics are covered in salient detail on the principles.	100%
3	Employees other than BOD and KMPs	591	BBS, Electrical Safety, Health & Safety Training, First Aid Training, Fire Fighting, Shop Floor Training, PPEs, Workplace Inspection training.	100%
4	Workers	613	BBS, Electrical Safety, Health & Safety Training, First Aid Training, Fire Fighting, Shop Floor Training, PPEs, Workplace Inspection training.	100%

Other than this all new non-executive directors inducted to the Board are introduced to our Company culture through orientation sessions. Executive directors and senior management provide an overview of operations and familiarize the new non-executive directors on matters related to our values and commitments. They are also introduced to the organization structure, services, Group structure and subsidiaries, constitution, Board procedures, matters reserved for the Board, major risks and risk management strategy. The details of the familiarization program are also available on the Company's website, at https://www.bectorfoods.com/panel/uploads/investor/0930202107510 6MBFSL-FamiliarizationProgrammeforIndependentDirectors.pdf

2. Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by its directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions in FY 2023

Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ Judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/ No)
Penalty/Fine			NIL		
Settlement					
Compounding fee					

Non – Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ Judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/ No)
Imprisonment			NIL		
Punishment					

3. Of the instances disclosed in Question 2 above, details of the Appeal / Revision preferred in cases where monetary or nonmonetary action has been appealed

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable	

4. Does the entity have an anti-corruption policy or antibribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

The Company's Code of Conduct includes its policy on ethics, bribery, and corruption, and it applies to the Board of Directors, senior management team, and workers. Upon getting hired, every employee is expected to sign this code.

MBFSL has a zero tolerance policy for bribery and corruption, and employees have been told not to engage in it directly or through intermediaries (agents, partners, contractors, family members, or anyone else acting on someone's behalf). They are also cautioned not to take advantage of a third party, such as a supplier or contractor, when dealing with them.

Every year, Board members and senior management affirm that they are compliant with the Code of Conduct and will continue to be so. The company's code of conduct can be accessed at https://www.bectorfoods.com/panel/uploads/investor/09302021074839MBFSL-CodeofConductforEmployeesandotherConnectedPersons.pdf

5. No of Directors/KMPs/Employees against whom disciplinary action was taken by any law enforcement agency for the charges of bribery / corruption

	Segment	FY 2023	FY 2022
1	Directors	NIL	NIL
2	Key Managerial Personnel		
3	Employee		
4	Workers		

6. Details of complaints with regard to conflict of interest

	Segment	FY 2023		FY 2022	
		Number	Remarks	Number	Remarks
1	Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	-	NIL	-
2	Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	-	NIL	-

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators / law enforcement agencies / judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable

LEADERSHIP INDICATORS

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

MBFSL makes continuous efforts to educate and create awareness amongst the suppliers and other value chain partners on ESG areas such as human rights, fair labour practices, environmental impact and others.

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

Yes, MBFSL has policies in place to prevent and manage conflicts of interest among board members. In the event of a potential conflict of interest, he or she must fully disclose all facts and circumstances to the Board of Directors, and consent from the Board is required.

According to the Company's Code of Conduct, Board members and Senior Management must follow the following guidelines:

- Directors and Senior Management should not engage in any activity or employment that interferes with their performance or responsibility to the company, or that is otherwise in conflict with or detrimental to the company.
- Directors/Senior Management personnel and their immediate families should normally avoid interests in such companies/entities that jeopardize their commitment to the Company.
- Directors/Senior Management employees should avoid doing business with a relative or a firm/company in which a relative/related party has a key role.

The policy which relates to this can be accessed at https://www.bectorfoods.com/panel/uploads/investor/09302021074903MBFSL-Code-of-conduct-for-DirectorsandtheSeniorManagement.pdf

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe

ESSENTIAL INDICATORS

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

S. No.	Segment	FY 2023	FY 2022	Details of improvements in environmental and social impacts
1	R&D	14%	-	The company has taken initiatives in reducing plastic consumption/wastage by removing use of plastic trays in some of SKUs in product portfolio.
2	Capex	8%	8%	Solar power panels installed at the Noida, Rajpura, Khopoli and Phillaur manufacturing facility.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

   Yes, the company prefers to source locally to maintain the sustainability of its supply chain. The Company chooses its suppliers through strictly laid out internal procedures and engages with them according to non-negotiable minimum standards. It promotes the use of sustainable ingredients such as responsibly sourced palm oil and cocoa powder in some of the products; in line with customer specific requirements.

   b. If yes, what percentage of inputs were sourced sustainably?

Sustainable Ingredients	2022-23	2021-22
UTZ Cocoa	0.79%	0.00%
RSPO	1.85 %	1.41%

   MBFSL is working continuously to enhance the contribution of sustainability resource ingredients progressively year on year

3. **Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste**

   The company has created novel methods for decreasing the resources utilized in product packaging. The emphasis was on employing lighter, stronger, and more environmentally friendly materials. MBFSL is dedicated to a sustainable environment, with a particular emphasis on plastic waste management, by disposing it with an authorized vendor for both bakery and biscuit units. The vendors further recycle all the non-hazardous and hazardous waste generated by the company at all the plant locations.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

   Yes. MBFSL is in compliance with the requirements of Plastic Waste Management Rules, 2016 and subsequent amendments. The company is registered with Central Pollution Control Board (CPCB) with all the requested documentation and the waste collection plan is in line with the EPR plan submitted to CPCB. In line with EPR initiatives, the company has:

   - Reused and recycled materials instead of virgin materials in the product packaging
   - Recycling processes for waste generated in the manufacturing units through authorized vendors
   - Reduction of plastic waste by removal of plastic trays from biscuit products' packaging
   - Recyclable packaging of 100% of the product portfolio

LEADERSHIP INDICATORS

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

   The company has not yet conducted Life Cycle Perspective/Assessments for any of the products but is continuously improving the quality and contribute to sustainability throughout life cycle of the product portfolio.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Not Applicable

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

MBFSL has recycled 70% of input plastic material as per CPCB guidelines.

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

MBFSL has partnered with multiple local vendors which are authorized by SPCB/CPCB to recycle and reused the plastic waste generated. The vendors process the waste to be reused by other industries. The byproducts during the processing of waste are also reused.

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category

Please refer to responses to Question 3 and 4 above

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

ESSENTIAL INDICATORS

1. a. Details of measures for the well-being of employees:

Category	Total(A)	% Of employees covered by									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	1031	1031	100%	1031	100%	-	-	NIL	NIL	1031	100%
Female	27	27	100%	27	100%	27	100%	-	-	27	100%
Total	1058	1058	100%	1058	100%	27	100%	NIL	NIL	1058	100%
Other than Permanent Employees											
Male	All employees at MBFSL and its subsidiary companies are permanent employees.										
Female											
Total											

b. Details of measures for the well-being of workers:

Category	Total (A)	% Of workers covered by									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	1088	1088	100%	1088	100%	NA	NA	NIL	NIL	NA	NA
Female	358	358	100%	358	100%	358	100%	NA	NA	358*	100%
Total	1446	1446	100%	1446	100%	358	100%	NIL	NIL	358	100%
Other than permanent workers											
Male	2583	2583	100%	2583	100%	NA	NA	NIL	NIL	NA	NA
Female	339	339	100%	339	100%	339	100%	NA	NA	339*	100%
Total	2922	2922	100%	2922	100%	339	100%	NIL	NIL	339	100%

*Day care facilities are provided only to the female workers in the plant locations

2. Details of retirement benefits for Current and Previous FY

	Benefits	FY 2023			FY 2022		
		No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
1	PF	95%	97%	Y	96%	98%	Y
2	Gratuity	100%	100%	Y	100%	100%	Y
3	ESI	27%	95%	Y	36%	96%	Y
4	After Retirement Medi-Claim	NIL	NIL	NIL	NIL	NIL	NIL

3. Accessibility of workplaces - Are the premises / offices of the entity accessible to differently abled employees, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, our facilities are accessible to the people with disabilities. Ramps, lifts, and handrails for stairwells have been installed at the Company's numerous locations, including the offices/premises, to assist the movement of differently abled individuals. As a result, the Company's premises have been made more accessible.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

MBFSL is committed to diverse and inclusive workforce and is an equal opportunity employer. The company ensures to deliver performance-based rewards and recognition across the workforce, which is drawn from diverse backgrounds, educational qualifications and experience.

The Policy related to equal opportunity is also available on the website of the company at https://www.bectorfoods.com/panel/uploads/investor/09042023023825EqualEmploymentPolicy.pdf

5. Return to work and Retention rates of permanent employees that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work Rate (%)	Retention Rate (%)	Return to work Rate (%)	Retention Rate (%)
Male	NIL	NIL	NIL	NIL
Female	NIL	NIL	NIL	NIL
Total	NIL	NIL	NIL	NIL

In the reporting financial year, no permanent employee and worker took parental leave at MBFSL.

6. Is there a mechanism available to receive and redress grievances for the following categories of employees? If yes, give details of the mechanism in brief.

		Yes/No (If yes, then give details of the mechanism in brief)
1	Permanent workers	The organisation has a strong and detailed Grievance Redressal Mechanism in place to protect our permanent/non-permanent workers and employees. Procedures have been established to ensure that the process of registering a complaint, investigating it, and ultimately reaching an appropriate decision is handled professionally and confidentially.
2	Other than Permanent Workers	
3	Permanent Employees	
4	Other than Permanent Employees	

7. Membership of employees in association(s) or Unions recognised by the listed entity

Category	FY 2023			FY 2022		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / Workers In respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	1058	NIL	NIL	989	NIL	NIL
Male	1031	NIL	NIL	960	NIL	NIL
Female	27	NIL	NIL	29	NIL	NIL

Category	FY 2023			FY 2022		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / Workers In respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Workers	1446	372	26%	1617	399	25%
Male	1088	299	27%	1149	315	27%
Female	358	73	20%	468	84	18%

8. Details of training given to employees

Category	FY 2023					FY 2022				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No (B)	% (B/A)	No (C)	% (C/A)		No (E)	% (E/D)	No (F)	% (F/D)
Employees										
Male	1031	1031	100%	928	90%	960	960	100%	864	90%
Female	27	27	100%	24	89%	29	29	100%	26	90%
Total	1058	1058	100%	952	90%	989	989	100%	890	90%
Workers										
Male	3671	3671	100%	3304	90%	3221	3221	100%	2898	90%
Female	697	697	100%	627	90%	615	615	100%	554	90%
Total	4368	4368	100%	3931	90%	3836	3836	100%	3452	90%

9. Details of performance and career development reviews of employees and workers:

Category	FY 2023			FY 2022		
	Total (A)	No (B)	% (B/A)	Total (C)	No (D)	% (D/C)
Employees						
Male	1031	1031	100%	960	960	100%
Female	27	27	100%	29	29	100%
Total	1058	1058	100%	989	989	100%
Workers						
Male	1088	980	90%	1149	1034	90%
Female	358	322	90%	468	421	90%
Total	1446	1302	90%	1617	1455	90%

10. Health and Safety Management System

a. **Whether an occupational health and safety management system has been implemented by the entity? (Yes / No). If yes, the coverage such system?**

An Occupational Health Management System, aligned to ISO 45001 requirements, has been followed and encompasses all bakery and biscuit manufacturing plants.

b. **What are the processes used to identify work related hazards and assess risks on a routine and non-routine basis by the entity?**

MBFSL is committed to provide a safe and healthy working environment for the workforce. The company identifies work related hazards for each department through HIRA (Hazard Identification & Risk Assessment) framework. The process involves hazard identification, likelihood and consequence assessment, risk evaluation based on the existing controls and listing of recommendations to reduce those risks which are not under acceptable limits.

c. **Whether you have processes for employees to report the work-related hazards and to remove themselves from such risks. (Y/N)**

At MBFSL, work related hazards can be reported to the operation in-charge, who further informs the safety officer. The safety officer is responsible to conduct a methodical investigation on the hazard reported and submit the report to management. In addition to these procedures, there are periodic sessions conducted for the workforce on potential health and safety risks and how to mitigate the risks.

d. **Do the employees of the entity have access to non-occupational medical and healthcare services? (Yes / No)**

Yes, MBFSL believes in establishing an environment in which employees' needs, in addition to their salary, are met. Employees and workers have access to medical benefits through Company provided insurance policies, funded medical support and where applicable, statutory benefits under ESIC.

11. Details of Safety related incidents

	Safety Incident/Number	Category	FY 2023	FY 2022
1	Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)*	Employees	0	0
		Workers	0.08	0.02
2	Total recordable work-related injuries	Employees	0	0
		Workers	27	8
3	No. of fatalities	Employees	0	0
		Workers	0	0
4	High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
		Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy workplace

MBFSL has put in place comprehensive health and safety procedures for the safety and well-being of the workers and employees. The company continues to provide a healthy and safe working environment to the entire workforce by conducting Environment, Health & Safety training & awareness sessions periodically as well as first aid trainings are provided to plant workers. To strengthen the existing processes, the company has aligned itself to certain health and safety global standards.

13. Number of Complaints on the following made by employees

	FY 2023			FY 2022		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	3	0	-	3	0	-
Health & Safety	5	0	-	3	0	-

14. Assessments for the year

MBFSL's plants have Health and Safety Management Systems and follow safe working conditions. In addition, MBFSL plants are regularly audited by third party audit agency on social, ethical, health & safety, environment (SEDEX). The four pillars of the audit conducted are labor standards, health and safety, environment and business ethics.

	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Based on findings of the audits conducted by third parties, corrective and preventive measures are taken. MBFSL management may request a detailed investigation to identify the root causes and to understand the measures required to prevent recurrence of any incidents that may have occurred.

LEADERSHIP INDICATORS

1. **Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)?**

   Yes. If event of death of any worker or employee takes place, MBFSL provides financial help to the individual's family members.

2. **Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partner.**

   At MBFSL, Sums deducted/gathered in the books of account in regard of undisputed statutory dues including Goods and Services Tax ('GST'), Provident Fund, Employees' State Insurance, Income Tax, Duty of Customs, and other material statutory dues are regularly deposited with the appropriate authorities.

3. **Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023	FY 2022	FY 2023	FY 2022
Employees	0	0	0	0
Workers	0	0	0	0

4. **Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

   MBFSL is committed to invest in the employee development through continuous learning and development programs and enhance the employability of its workforce. Additionally, the company does provide post-employment benefit plans to the staff that qualify.

5. **Details on assessment of value chain partners:**

   In the reporting period, MBFSL did not conduct an assessment on the value chain partners but going forward, the company plans to cover the value chain partners in health and safety assessments.

6. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

   Not Applicable

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

ESSENTIAL INDICATORS

1. **Describe the processes for identifying key stakeholder groups of the entity.**

   MBFSL creates working partnerships, establishes trust through productive interactions, and views internal and external stakeholders as important to its operations. Key stakeholders are defined based on their influence and impact on the company's operations. MBFSL undertook a materiality assessment in consultation with external and internal stakeholders via surveys. The first phase in this procedure was to identify internal stakeholders as employees and external stakeholders as investors, analysts, biscuit and bakery suppliers, competitors, and biscuit, bakery and export customers. Furthermore, community groups were picked by the company to spend resources in the form of CSR projects to ensure community development.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group

Stakeholder group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Communities	Yes	Community engagement and local community meetings	Continuous, need-based	Positive, social and economic contribution
Investors and Shareholders	No	• Annual General Meeting • Annual Report • Annual Business Responsibility and Sustainability Report • A dedicated portal for investor's grievances • A separate division specifically dedicated to serving investors	Quarterly, annual, need-based	• Compliance to laws and regulatory requirement • Return on investment/ dividend • Timely interest and debt repayment •Socially/environmentally responsible investment • Speedy redressal of grievances • Communicate financial and non-financial targets/goals, strategy, and progress
Analysts	No	• Market research	Annual, need-based	Gathering, analyzing, and interpreting marketing data
Employees and workers	No	• Performance Review • Feedback surveys • Emails • Town hall/open-house meetings • Health, Safety and Environment (HSE) Policy communication • Intranet • Family get-togethers • Training and Workshops	• Continuous, monthly, • Half- yearly, need- based	• Respect and dignity • Non-discrimination and fair treatment • Employee management, learning and skill development • Career planning and growth • Employee Satisfaction • Work-life balance • Positive work environment • Health and safety • Grievance redressal • Ethical behaviour/ statutory compliance
Customers	No	• Customer feedback • Market research • Ads and marketing campaigns	Continuous, need-based	• Product quality, safety,and nutrition • Ethical business practices
Suppliers	No	• Supplier meets • In-person meetings • Operational review • Contracts and agreements	Continuous, need-based	• Fairness and transparency in contractual process • Competence development of supply chain partners • Timely payment and honoring commitments •Long-term association • Clarity in terms and conditions • Operational and resource efficiencies • Ensuring ethical business conduct • Collaborate to create positive environmental and social impact

LEADERSHIP INDICATORS

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   MBFSL believes that an effective stakeholder engagement mechanism is critical to achieving long-term sustainability goals and overall company success. The company's sustainability strategies are prioritized by the board of directors.

   - During the fiscal year, the company conducted a thorough materiality assessment and stakeholder engagement process to better understand the critical environmental, social, and governance (ESG) concerns that are important to the Company's businesses.
   - As part of this effort, the company engaged with key internal and external stakeholders to understand their challenges and incorporate their perspectives into materiality assessments for prioritizing ESG matters

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes, the company interacted with MBFSL's significant stakeholders, allowing it to work efficiently on its ESG strategies and be upfront about the results. Through online surveys, the company received inputs from 50+ internal and external stakeholders. Stakeholder engagement insights were analyzed to create the materiality matrix and finalize the list of 15+ areas to focus on under environment, social and governance.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

   CSR is built at MBFSL on the concept that business sustainability is inextricably linked to the sustainable development of the communities in which the business works and the environment in which the business operates.

Principle 5: Businesses should respect and promote human rights

ESSENTIAL INDICATORS

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format**

Category	FY 2023			FY 2022		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	1058	1058	100%	989	989	100%
Other than permanent	All employees at MBFSL and its subsidiaries are permanent employees.					
Total employees	1058	1058	100%	989	989	100%
Worker						
Permanent	1446	1446	100%	1617	1617	100%
Other than permanent	2922	2922	100%	2219	2219	100%
Total workers	4368	4368	100%	3836	3836	100%

2. **Details of minimum wages paid to employees and workers**

Category	FY 2023					FY 2022				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No (B)	% (B/A)	No (C)	% (C/A)		No (E)	% (E/D)	No (F)	% (F/D)
Employees										
Permanent	1058	14	1%	1044	99%	989	62	6%	927	94%
Male	1031	14	1%	1017	99%	960	58	6%	902	94%
Female	27	0	0%	27	100%	29	4	14%	25	86%
Other than permanent	All employees at MBFSL and its subsidiary Companies are permanent employees.									
Male										
Female										

Category	FY 2023					FY 2022				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No (B)	% (B/A)	No (C)	% (C/A)		No (E)	% (E/D)	No (F)	% (F/D)
Workers										
Permanent	1446	572	40%	874	60%	1617	597	37%	1020	63%
Male	1088	313	29%	775	71%	1149	322	28%	827	72%
Female	358	258	72%	100	28%	468	275	59%	193	41%
Other than permanent	2922	2220	76%	702	24%	2219	1845	83%	374	17%
Male	2583	2177	84%	406	16%	2067	1717	83%	350	17%
Female	339	287	85%	52	15%	152	128	84%	24	16%

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	7*	69,32,827	1*	1,50,000
Key Managerial Personnel	6^	1,68,97,787	0	0
Employees other than BoD and KMP	1025	2,66,400	27	3,45,708
Workers	3671	81,960	697	88,068

*Remuneration for Board of Directors include commission paid during the year and sitting fees paid to Non-Executive Directors.

^Includes 4 executive directors, who are counted under BODs as well

4. Do you have a focal point (Individual / Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes. MBFSL has dedicated personnel who are responsible for addressing human rights issues caused by the company

5. Describe the internal mechanisms in place to redress grievances related to human rights issue

MBFSL is committed to providing a safe and healthy work environment and has a zero tolerance policy for any infringement of human rights. The company has established a good procedure for reporting issues or concerns at work. All the grievances are handled and addressed by the Grievance Handling Committee and IIC Committee. Any employee, retainer/consultant, associate, supplier, or business partner can file a complaint with the Ombudsman. While addressing the concern, all actual violations are dealt with severely based on the principles of natural justice, confidentiality, sensitivity, non-retaliation, and fairness. The issues are handled sensitively while providing prompt action and closure.

6. Number of Complaints on the following made by employees and workers:

	FY 2023		FY 2022	
	Filed during the year	Pending resolution at the end of year	Filed during the year	Pending resolution at the end of year
Sexual Harassment	MBFSL received no complaints on any of the following issues from the employees and workers during the reporting period.			
Discrimination at workplace				
Child Labour				
Forced Labour/ Involuntary Labour				
Wages				
Other human rights related issues				

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases

When dealing with complaints, every effort is made to conduct the investigation in a peaceful manner in order to avoid any unpleasant situations. According to the Company's code of conduct, any kind of harassment and discrimination based on gender, religion, age, sex, origin and other such characteristics shall be strictly prohibited. The Company is committed to ensuring that all employees work in an environment that not only promotes diversity and equality, but also mutual trust, equal opportunity and respect for human rights. The Company is also committed to providing a work environment that ensures every woman employee is treated with dignity, respect and accorded

equal treatment. The Company has formulated a policy on prevention of sexual harassment in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to ensure prevention, prohibition, and redressal against sexual harassment.

8. **Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes. Some of the business partnership agreements that MBFSL enters has human rights requirements forming a part of the contract. The company promotes human rights across the value chain and ensures it as an essential part of conducting business.

9. **Assessments for the year**

MBFSL did not conduct human rights assessment in the reporting year but the company plans on conducting such assessments in the near future.

10. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above**

Not Applicable.

LEADERSHIP INDICATORS

1. **Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.**

Not Applicable

2. **Details of the scope and coverage of any Human rights due diligence conducted.**

Not Applicable

3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes, all the premises at MBFSL are accessible to differently abled visitors and the company is focused on improving the accessibility of offices and plant locations.

4. **Details on assessment of value chain partners:**

MBFSL did not conduct human rights assessment of the value chain partner in the reporting year, but the company is committed to ensuring human rights across the value chain in the coming years.

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

Not Applicable

Principle 6: Businesses should respect and make efforts to protect and restore the environment

ESSENTIAL INDICATORS

1. **Details of total energy consumption (in GJ) and energy intensity, in the following format**

Parameter	FY 2023	FY 2022
Total electricity consumption (A) (GJ)	106983	89,313
Total fuel consumption (B) (GJ)	280195	238716
Energy consumption through other sources (C) (GJ)	-	-
Total energy consumption (A+B+C) (GJ)	387178	328089
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees) (in GJ/Crores)	284	332

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

As of the reporting year, none of the plants or offices of MBFSL are identified as designated consumers (DCs) under PAT Scheme of the Government of India.

3. Provide details of the following disclosures related to water, in the following format

Parameter	FY 2023	FY 2022
Water withdrawal by source (in kiloliters)		
(i) Surface water	NIL	NIL
(ii) Groundwater	138937	130804
(iii) Third party water	30373	29281
(iv) Seawater / desalinated water	NIL	NIL
(v) Others	NIL	NIL
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	169310	160085
Total volume of water consumption (in kiloliters)	111076	81379
Water intensity per rupee of turnover (Water consumed / turnover in Crores)	81.55	82.35

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

MBFSL is committed to recycling wastewater and through water efficiency measure, the company has reduced its water consumption per rupee. The company's offices and plants are in compliance with consent to operate (CTO) conditions.

5. Provide details of air emissions (other than GHG emissions) by the entity, in the following format.

The air emissions values are reported to the State Pollution Control Board as required. The evaluation is conducted by a third party agency. We are under permissible levels and the absolute values will be reported in subsequent years.

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

MBFSL conducts independent stack emission assessment by an external agency for all the diesel generators and ovens used at the plant locations. This exercise is conducted half yearly by the third party on site at each plant location

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format

Parameter	Please specify units	FY 2023	FY 2022
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	171337.07	14775.79
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	18432.36	18231.90
Total Scope 1 and Scope 2 emissions per Crores of turnover		26.26	33.40

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

In the current reporting year, MBFSL did not conduct any independent assessment/ evaluation/assurance for the scope 1 and scope 2 emissions data

7. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details

MBFSL is committed to reduce its energy consumption and reduce the emissions through operations.

The company continuously invests in newer technologies and processes to enhance efficiency in a more sustainable manner. To achieve emission reduction and transition towards energy efficiency, below steps are taken by MBFSL:

- Increased the solar power consumption from 4% to 11% from previous year
- Usage of piped natural gas (PNG) in 50% plant locations and compressed natural gas (CNG) in most of the manufacturing process to reduce pollution.
- Use of energy efficient LED lights at all premises
- Conducted a pilot with a partner to transition to electric vehicles for delivery of products

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023	FY 2022
	Total Waste generated (in MT)	
Plastic waste (A)	646.63	454.32
E-waste (B)	0	0
Bio-medical waste (C)	0.14	0.11
Construction and demolition waste (D)	180.40	137.70
Battery waste (E)	0	0
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	1.82	2.09
Other Non-hazardous waste generated (H). Please specify, if any.*	2782.52	2245.81
Total (A+B + C + D + E + F + G + H)	**3611.51**	**2840.03**

*Other non-hazardous waste includes food waste generated in the plants during the manufacturing process

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

In the current reporting year, MBFSL did not conduct any independent assessment/ evaluation/assurance for the waste management data

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

MBFSL has partnered with authorized vendors across locations to safely dispose, recycle and reuse waste. Below are some of the methods used by MBFSL partner:

- **Plastic waste:** Vendors segregate and recycle the waste in a facility post collection from the manufacturing plants. The recycled plastic waste is then sold in the market to be reused by various industries. The byproducts during recycling process are also either disposed safely or sold to the cement industry for further use
- **Food waste:** Vendors use organic waste converters to recycle the wet waste, which is further used as manure. The dry food waste and rejected food from the manufacturing plants are used to feed animals by the vendors
- **Hazardous waste:** Vendors safely recycle and/or dispose the cooking oil used. This is a small fraction of waste generated

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

MBFSL' s authorized vendors across locations disposes the waste safely if such waste cannot be recycled or reused.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes

For the last few years, MBFSL has adopted multiple measures across the locations to reduce the waste generated. The company has taken initiatives in reducing plastic consumption/wastage by removing use of plastic trays in some of SKUs in product portfolio. The company has ensured for the last few years that all the packaging input are recyclable, reusable or compostable. Additionally, the company has ensured to partner with vendors that are authorized by CPCB/SPCB, to collect the waste and to ensure that the waste generated by MBFSL is either recycled, reused or disposed of responsibly without harming the society and the environment.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, specify details in the following format

All MBFSL facilities have obtained the consent to operate from relevant authorities. As such, there are no locations owned or leased by MBFSL around/in the ecologically sensitive areas.

11. Details environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year

All MBFSL facilities are in compliance with the applicable laws.

12. Is the entity compliant with the applicable environmental law / regulations / guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act, and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes. MBFSL's plants and offices are compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder. There were no violations and/or penalties by any government authority for non-compliance.

LEADERSHIP INDICATORS

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	Unit	FY 2023	FY 2022
		From renewable sources	
Total electricity consumption (A)	GJ	10166	3290
Total fuel consumption (B)	-	0	0
Energy consumption through other sources (C)	-	0	0
Total energy consumed from renewable sources (A+B+C)	GJ	10166	3290
		From non-renewable sources	
Total electricity consumption (D)	GJ	96817	86023
Total fuel consumption (E)	GJ	280195	238716
Energy consumption through other sources (F)	GJ	0	0
Total energy consumed from non-renewable sources (D+E+F)	GJ	377012	377012

2. Provide the following details related to water discharged:

Parameter		FY 2023	FY 2022
Water discharge by destination and level of treatment (in kiloliters)			
(i)	To Surface water	0	0
	- No treatment		
	- With treatment – please specify level of treatment		
(ii)	To Groundwater	0	0
	- No treatment		
	- With treatment – please specify level of treatment		
(iii)	To Seawater	0	0
	- No treatment		
	- With treatment – please specify level of treatment		
(iv)	Sent to third parties		
	- No treatment		
	- With treatment - secondary	4404	3312
(v)	Others (Public Sewers)		
	- No treatment (Used for gardening purposes)		
	- With treatment – secondary	53830	75394
Total water discharged (in kiloliters)		58234	78706

3. Water withdrawal, consumption, and discharge in areas of water stress (in kiloliters):

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area:

- Phillaur, Punjab
- Anekal, Bengaluru

(ii) Nature of operations: **Manufacturing**

(iii) Water withdrawal, consumption, and discharge in the following format:

Parameter	FY 2023	FY 2022
Water withdrawal by source (in kiloliters)		
(i) To Surface water	0	0
(ii) Groundwater	21016	22932
(iii) Third party water	8640	7920
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kiloliters)	29656	30852
Total volume of water consumption (in kiloliters)	24087	26427
Water intensity per rupee of turnover (Water consumed / turnover)	18	27
Water intensity (optional) – the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kiloliters)		
(i) To Surface water	0	0
- No treatment		
- With treatment – please specify level of treatment		
(ii) To Groundwater	0	0
- No treatment		
- With treatment – please specify level of treatment		
(iii) To Seawater	0	0
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third parties		
- No treatment		
- With treatment – secondary	4404	3312
(v) Others (Public Sewers)		
- No treatment		
- With treatment – secondary	1165	1113
Total water discharged (in kiloliters)	5569	4425

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

For this reporting year, MBFSL has not computed the scope 3 emissions. The company plans to evaluate the emissions and its intensity in the near future

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not applicable

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

MBFSL is committed to improve resource efficiency and reduce the impact of its operations on society and environment. 5 out of 6 facilities have water recycling plants which recycles upto 35% of total water consumed.

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

MBFSL has business continuity and disaster management plan and the same is also available on the website of the Company at https://www.bectorfoods.com/panel/uploads/investor/09042023023756BusinessContinuity%E2%80%93DisasterRecoveryPolicy.pdf

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

MBFSL plans to incorporate sustainability in its supply chain and develop a plan in the coming years to partner with value chain partners to adopt sustainable practices to reduce the impact on environment.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts

MBFSL plans to assess the value chain partners by establishing a sustainable supply chain framework and developing ESG criteria for the suppliers. The company also plans to identify its critical suppliers and create a supplier code of conduct to ensure ethical and sustainable practices are incorporated by the company's suppliers.

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

ESSENTIAL INDICATORS

1. a. Number of affiliations with trade and industry chambers / associations: Three (3)

   b. List the top 10 trade and industry chambers / associations (determined based on the total members of such a body) the entity is a member of / affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Chamber of Industrial and Commercial Undertaking	State
2	Confederation of Indian Industry	National
3	Federation of Indian Chambers of Commerce and industry	National

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.

MBFSL did not engage in any anti-competitive practices.

Principle 8: Businesses should promote inclusive growth and equitable development

ESSENTIAL INDICATORS

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current FY 23

In the reporting period, there were no projects undertaken by MBFSL which required Social Impact Assessments (SIA).

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity in the following format

Not Applicable

3. Describe the mechanisms to receive and redress grievances of the community

MBFSL interacts with various community groups to conduct a need at grassroots level at regular intervals. This helps the community voice their needs, and continually improve efficiency of community programmes implemented by the company. The community members are provided various opportunities to present their concerns, complaints or any other form of grievance impacting them. In the current reporting year, during the CSR activities, there were no grievances raised by any of the community groups.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers

Category of waste	FY 2023	FY 2022
Directly sourced from MSMEs/ small producers	32%	28%
Sourced directly from within the district and neighboring districts	46%	44%

LEADERSHIP INDICATORS

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

   Not applicable

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

   In the current reporting period, no aspirational districts were covered under the CSR projects undertaken by MBFSL.

3. a. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

   No. MBFSL is committed to collaborate with local suppliers and farmers to procure a large percentage of the raw materials used. The company is working towards developing a policy on preferential procurement to ensure the materials purchased are ethically and sustainably sourced.

   b. From which marginalized /vulnerable groups do you procure?

   MBFSL is committed to procure from small and marginal farmers, businesses run by women entrepreneurs, and marginalized ethnicities across the districts.

   c. What percentage of total procurement (by value) does it constitute?

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

   Not Applicable

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

   Not Applicable

6. **Details of beneficiaries of CSR Projects:**

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% Of beneficiaries from vulnerable and marginalized groups
1.	Mobile Van Health Camp	9010	• 22.65% SC community • 51.33% female • 15% children
2.	Creating Awareness Regarding Menstrual Hygiene Among Women And Ensuring Accessibility Of Sanitary Napkin To Them	24052	• 100% female
3.	Provide Health & Education to 90 women from approximately 4 hamlets in Khopoli-Bakebest Foods Ltd.	90 families	• 14.8% and 6.5% of ST and SC population respectively. • 100% female
4.	Rejuvenation of pond in Kami Kalan village, Rajpura, Patiala	6000	• 22.65% SC community

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

ESSENTIAL INDICATORS

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback**

   MBFSL has a process in place to receive and address product quality complaints via email and customer service phone numbers. Additionally, on the company's official website, there is a webpage for grievances.

2. Turnover of products and / services as a percentage of turnover from all products/ service that carry information about

All the products are labeled with FSSAI logo and related information has been given on pack label as required about the use of the product. Recycle logo is also marked on pack labels

State	As a percentage to total turnover
Environmental and social parameters relevant to the product	Packaging films and laminates used by company are 100% recyclable. Company is registered with CPCB and involved in EPR activity and meeting/complying 100% targets of plastic waste recycling as per CPCB year wise defined targets/guidelines thru outsourcing. Cartons and Duplexes used are made from paper having up to 70% recycled content and are 100% recyclable. Plastic trays used are made from plastic film having up to 30% recycled content and are 100% recyclable.
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

	FY 2023			FY 2022		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	NA	NA	0	NA	NA
Cyber-security	0	NA	NA	0	NA	NA
Delivery of essential services	0	NA	NA	0	NA	NA
Restrictive trade practices	0	NA	NA	0	NA	NA
Unfair trade practices	0	NA	NA	0	NA	NA

4. Details of instances of product recalls on accounts of safety issues

	Number	Reason for recall
Voluntary recalls	0	NA
Forced recalls	0	NA

5. Does the entity have a framework / policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy

Yes, the Company, MBFSL have a policy on cyber security and risks related to data privacy. MBFSL continuously educates the users about security threats and have ATP (Advanced Threat Protection) implemented. The company has end point security and latest antivirus implemented, all the systems are equipped with Anti-Virus Software. Moreover, all the applications are on cloud and there are relevant policies and procedures in place and the same is also available on the website of the Company at https://www.bectorfoods.com/panel/uploads/investor/09042023023919InformationSecurityPolicy.pdf

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services

Not Applicable

LEADERSHIP INDICATORS

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

MBFSL official website has detailed out all the information related to the entire product portfolio https://www.bectorfoods.com/brands

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

MBFSL markets its products responsibly and complies with all the regulations on labelling of products. Through corporate responsibility activities, they interact with customers on health and nutrition related topics from time to time.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Not applicable

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes, the company is dedicated to offering products and services of the highest quality. The company strives to employ sustainably sourced ingredients in its ever-expanding product portfolio. For its products and the declared product, the company used high hygiene standards, benchmarked manufacturing practices, and robust quality assurance procedures.

The shelf life is determined by the applicable laws. The company complies with all applicable rules and voluntary codes governing marketing communications, including advertising, promotion, and so on. The company also makes an attempt to educate users on how to use its products responsibly. Furthermore, the company has a dedicated consumer complaint process to reply to customer enquiries and product comments in order to continuously enhance its products.

5. Provide the following information relating to data breaches:

a. Number of instances of data breaches along-with impact:

MBFSL had no security threat reported during the reporting period.

b. Percentage of data breaches involving personally identifiable information of customers:

Not Applicable, since there were no data breaches

Independent Auditor's Report

To the Members of **Mrs. Bectors Food Specialities Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Mrs. Bectors Food Specialities Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2023, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit and other comprehensive loss, changes in equity and its cash flows for the period ended on that date.

Basis for Opinion

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

Key Audit Matter(s)

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

Revenue Recognition	
See Note 2(g) and Note 32 to standalone financial statements	
The key audit matter	**How the matter was addressed in our audit**
Revenue from the sale of goods and services is recognized when control in goods is transferred to the customer and when the services are completed, and is measured net of rebates, discounts and returns. Standards on Auditing presume that there is fraud risk with regard to revenue recognition. We focused on this area since there is a risk that revenue may be overstated because of fraud, resulting due to the pressure from Management and Board of Directors who may strive to achieve performance targets. Also, revenue is a key performance indicator for the Company which makes it susceptible to misstatement because the timing of revenue recognition requires exercise of judgement. In view of the above, we have identified risk of fraud in revenue recognition as a key audit matter.	**In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:** • We assessed the appropriateness of the revenue recognition accounting policies against the requirement of Ind AS 115 i.e. Revenue from contracts with customers. • We evaluated the design and implementation of key internal financial controls in relation to revenue recognition and tested the operating effectiveness of such controls for a sample of transactions. • We involved our IT specialists to assist us in testing of general IT controls and key IT application controls relating to revenue recognition. • We performed substantive testing by selecting samples (using statistical sampling) of revenue transactions recorded for the financial year. For such samples, verified the underlying documents, including invoices, good dispatch notes, customer acceptances and shipping documents (as applicable) to assess whether these are recognized in the appropriate period in which control is transferred or services are provided. • We carried out analytical procedures on revenue recognized during the year to identify unusual variances. • We tested, on a sample basis (selected based on specified risk-based criteria), specific revenue transactions recorded before and after the financial year end date to determine whether the revenue had been recognized in the appropriate financial period • We tested sample manual journal entries for revenue, selected based on specified risk-based criteria to identify unusual items. • We assessed the adequacy of the disclosures made in the financial statements as per the requirement of Ind AS 115.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and auditor's report thereon. The Company's annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Company's audit report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management's and Board of Directors' Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

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

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

c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors as on 01 April 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

a. The Company has disclosed the impact of pending litigations as at 31 March 2023 on its financial position in its standalone financial statements - Refer Note 42 to the standalone financial statements.

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

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

d (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 54 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including

foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 54 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The final dividend paid by the Company during the year, which was declared in the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with Section 123 of the Act.

As stated in Note 21 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Rajiv Goyal
Partner
Membership No.: 094549
ICAI UDIN:23094549BGYNUQ8732

Place: Gurugram
Date: 25 May 2023

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Mrs. Bectors Food Specialities Limited for the period ended 31 March 2023

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment (including right of use assets) by which all property, plant and equipment (including right of use assets) are verified in a phased manner over a period of 3 years. In accordance with this programme, certain property, plant and equipment (including right of use assets) were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. As informed to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year.For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has has not made any investments in firms, limited liability partnership or any other parties during the year and not provided guarantee or security or granted any loans, secured or unsecured, or advances in the nature of loans to companies, firms, limited liability partnership or any other parties during the year. The Company has made investments in companies and granted loans to its employees during the year. The requisite information on loans to employees is stated in paragraph (iii)(a) below.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans to employees as below

Particulars	Non-Interest Bearing Loans to employees (Amount in Rs. Million)
Aggregate amount given during the year to employees	9.06
Balance outstanding as at balance sheet date with employees	4.41

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made during the year and the terms and conditions of loans granted during the year are, prima facie, not prejudicial to the interest of the Company. Further, the Company has not provided guarantees, given security or granted advances in the nature of loan during the year.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal has been stipulated and the repayments or receipts have been regular. Payment of interest was not stipulated in case of non-interest bearing loans to employees as per approved policy of the Company. Further, the Company has not given any advance in the nature of loan to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the products manufactured by it. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited with the appropriate authorities, though there have been slight delays in a few cases of Income Tax, Goods and Service Tax and Professional Tax.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the Dues	Amount (Rs. Million)	Amount paid under protest*	Period to which the amount relates	Forum where dispute is pending
Punjab Value Added Tax Act, 2005	Sales tax	2.37 3.75	- -	2008-09 2009-10	Deputy Excise and Taxation Commissioner, Ludhiana
Punjab Tax on Entry of Goods into Local Area Act, 2000	Entry tax	1.69	-	2011-12	Punjab and Haryana High Court, Chandigarh
Himachal Pradesh Value Added Tax Act, 2005	Sales tax	3.01	-	2005-06	Joint Commissioner, Excise and Taxation,Palampur
Himachal Pradesh Value Added Tax Act, 2005	Sales tax	4.83	-	2006-07	HimachalPradesh High Court, Shimla
Uttar Pradesh Value Added Tax Act, 2008	Sales tax	1.91 1.59 0.09 0.16	- - -	2013-14 2014-15 2016-17 2017-18	Deputy Excise and Taxation Commissioner, Gautam Budh Nagar
Delhi Value Added Tax Act, 2004	Sales tax	0.12 0.82 0.15	- - -	2011-12 2012-13 2013-14	Assistant Commissioner of State Tax, Delhi
Income Tax Act,1961	Income Tax	5.73 6.05 0.13 1.83 0.23 28.89 7.07 1.38	5.73# 6.05	2007-08 (A.Y.) 2009-10 (A.Y.) 2011-12 (A.Y.) 2013-14 (A.Y.) 2015-16 (A.Y.) 2017-18 (A.Y.) 2018-19 (A.Y.) 2020-21 (A.Y.)	Commissioner of Income Tax (Appeals), Ludhiana

*amount as per demand orders including interest and penalty, whenever indicated in order.

Adjusted against refund dues

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or its associate as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or its associate (as defined under the Act).

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination

of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit for the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi) (c) of the Order is not applicable.

(d) Based on the information and explanations provided by the management of the Company, the Group (as per the provisions of the Core Investment Companies (Reserve Ban1c) Directions, 2016) do not have any Core Investment Company as detailed in note 57 (ix) to the financial statements. For reporting on this clause / sub clause, while we have performed audit procedures set out in the Guidance Note on CARO 2020, we have relied on and not been able to independently validate the information provided to us by the management of the Company with respect to entities outside the consolidated Group but covered in the Core Investment Companies (Reserve Bank) Directions, 2016.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is

based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.

(b) In respect of ongoing projects, the Company has transferred the unspent amount to a Special Account within a period of 30 days from the end of the financial year in compliance with Section 135(6) of the said Act.

(Amount in Rs. Million)

Financial Year*	Amount unspent on corporate social responsibility activities for "On-going Projects"	Amount transferred to Special Account within 30 days from the end of the Financial Year	Amount transferred after the due date (specify the date of transfer)
2022-2023	3.59	3.59	-

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Rajiv Goyal
Partner
Membership No.: 094549
ICAI UDIN:23094549BGYNUQ8732

Place: Gurugram
Date: 25 May 2023

Annexure B to the Independent Auditor's Report on the Standalone Financial Statements of Mrs. Bectors Food Specialities Limited for the period ended 31 March 2023

Opinion

We have audited the internal financial controls with reference to financial statements of Mrs. Bectors Food Specialities Limited ("the Company") as of 31 March 2023 in conjunction with our audit of the standalone financial statements of the Company for the period ended on that date.

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

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Rajiv Goyal
Partner
Membership No.: 094549
ICAI UDIN:23094549BGYNUQ8732

Place: Gurugram
Date: 25 May 2023

Balance Sheet as at 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

	Notes	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	3,756.77	3,617.12
Capital work-in-progress	4	478.46	117.58
Right-of-use assets	5	182.00	192.32
Other intangible assets	6	1.16	1.62
Financial assets			
(i) Investments in subsidiaries	7	194.50	185.00
(ii) Other investments	8	21.89	19.69
(iii) Other financial assets	9	279.17	37.12
Income tax assets (net)	10	38.26	37.74
Other non-current assets	11	176.19	95.66
Total non-current assets		5,128.40	4,303.85
Current assets			
Inventories	12	793.46	768.00
Financial assets			
(i) Investments	13	68.95	64.87
(ii) Trade receivables	14	853.30	711.46
(iii) Cash and cash equivalents	15	81.96	313.73
(iv) Bank balances other than (iii) above	16	568.83	470.59
(v) Loans	17	4.41	4.67
(vi) Other financial assets	18	141.67	178.38
Other current assets	19	256.66	142.89
Total current assets		2,769.24	2,654.59
Total assets		7,897.64	6,958.44
EQUITY AND LIABILITIES			
Equity			
Equity share capital	20	588.17	588.15
Other equity	21	4,512.01	3,896.86
Total equity		5,100.18	4,485.01
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	22	939.91	880.28
(ii) Lease liabilities	5	51.39	58.76
Provisions	23	46.20	60.21
Deferred tax liabilities (net)	24	94.35	91.45
Other non-current liabilities	25	81.42	85.33
Total non-current liabilities		1,213.27	1,176.03
Current liabilities			
Financial liabilities			
(i) Borrowings	26	266.99	408.20
(ii) Lease liabilities	5	11.72	11.19
(iii) Trade payables	27		
(a) Total outstanding dues of micro enterprises and small enterprises		94.32	75.52
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		634.73	461.16
(iv) Other financial liabilities	28	114.13	81.91
Other current liabilities	29	395.31	221.61
Provisions	30	58.75	37.38
Current tax liabilities (net)	31	8.24	0.43
Total current liabilities		1,584.19	1,297.40
Total liabilities		2,797.46	2,473.43
Total equity and liabilities		7,897.64	6,958.44

Significant accounting policies 2

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Rajiv Goyal
Partner
Membership No.: 094549

Place: Gurugram
Date: 25 May 2023

For and on behalf of the Board of Directors of
Mrs. Bectors Food Specialities Limited

Anoop Bector
Managing Director
DIN:-00108589

Place: Gurugram
Date: 25 May 2023

Ishaan Bector
Director
DIN:-02906180

Place: Gurugram
Date: 25 May 2023

Atul Sud
Company Secretary
M. No:- F10412

Place: Phillaur
Date: 25 May 2023

Parveen Kumar Goel
Whole-time Director and CFO
DIN:- 00007297

Place: Delhi
Date: 25 May 2023

Statement of Profit and Loss for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

	Notes	For the year ended 31 March 2023	For the year ended 31 March 2022
Income			
Revenue from operations	32	12,643.17	9,235.80
Other income	33	116.13	105.96
Total income		12,759.30	9,341.76
Expenses			
Cost of materials consumed	34	6,878.63	5,030.34
Purchase of stock-in-trade	35	230.42	156.13
Changes in inventories of finished goods, stock-in- trade and work-in-progress	36	(74.24)	(3.60)
Employee benefits expense	37	1,518.27	1,288.04
Finance costs	38	128.95	70.59
Depreciation and amortisation expense	39	491.23	427.54
Other expenses	40	2,566.03	1,679.44
Total expenses		11,739.29	8,648.48
Profit before tax		1,020.01	693.28
Tax expense	24		
Current tax		254.39	153.94
Deferred tax		3.09	4.41
		257.48	158.35
Profit for the year (A)		762.53	534.93
Other comprehensive income/ (loss)			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans		(0.77)	10.49
Income tax relating to items that will not be reclassified to profit or loss			
Income tax relating to remeasurement of defined benefit plans		0.19	(2.64)
Total other comprehensive (loss)/ income for the year (B)		(0.58)	7.85
Total comprehensive income for the year (A + B)		761.95	542.78
Earnings per equity share [nominal value of Rs. 10 (previous year Rs.10)]	41		
Basic		12.96	9.10
Diluted		12.96	9.10

Significant accounting policies 2

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Rajiv Goyal
Partner
Membership No.: 094549

Place: Gurugram
Date: 25 May 2023

For and on behalf of the Board of Directors of Mrs. Bectors Food Specialities Limited

Anoop Bector
Managing Director
DIN:-00108589

Place: Gurugram
Date: 25 May 2023

Ishaan Bector
Director
DIN:-02906180

Place: Gurugram
Date: 25 May 2023

Atul Sud
Company Secretary
M. No:- F10412

Place: Phillaur
Date: 25 May 2023

Parveen Kumar Goel
Whole-time Director and CFO
DIN:- 00007297

Place: Delhi
Date: 25 May 2023

Statement of Changes in Equity

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

(a) Equity share capital

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	5,88,15,325	588.15	5,87,46,514	587.47
Share based option exercised during the year	2,149	0.02	68,811	0.69
Shares issued during the year	-	-	-	-
Balance at the end of the year	**5,88,17,474**	**588.17**	**5,88,15,325**	**588.15**

(b) Other equity

Particulars	Note	Reserves & surplus				
		Share options outstanding account	Capital reserve	Securities premium	Retained earnings	Total
Balance at 1 April 2021		**4.89**	**14.37**	**628.38**	**2,909.32**	**3,556.96**
Profit for the year		-	-	-	534.93	534.93
Other comprehensive (loss) / income for the year*	21 c	-	-	-	7.85	7.85
Total comprehensive income for the year		**-**	**-**	**-**	**542.78**	**542.78**
Share based expense	21 d	0.43	-	-	-	0.43
Employee stock option exercised during the year	21 d	(5.02)		16.34	-	11.32
Less: Dividends	21 c	-	-	-	(214.63)	(214.63)
Balance at 31 March 2022		**0.30**	**14.37**	**644.72**	**3,237.47**	**3,896.86**
Profit for the year		-	-	-	762.53	762.53
Other comprehensive (loss) / income for the year*	21 c	-	-	-	(0.58)	(0.58)
Total comprehensive income for the year		**-**	**-**	**-**	**761.95**	**761.95**
Share based expense	21 d	0.03	-	-	-	0.03
Employee stock option exercised during the year	21 d	(0.17)	-	0.54	-	0.37
Share based option forfeited during the year	21 d	(0.16)	-	-	-	(0.16)
Less: Dividends	21 c	-	-	-	(147.04)	(147.04)
Balance at 31 March 2023		**-**	**14.37**	**645.26**	**3,852.38**	**4,512.01**

Significant accounting policies 2

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Rajiv Goyal
Partner
Membership No.: 094549

Place: Gurugram
Date: 25 May 2023

For and on behalf of the Board of Directors of Mrs. Bectors Food Specialities Limited

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Managing Director
DIN:-00108589

Place: Gurugram
Date: 25 May 2023

Ishaan Bector
Director
DIN:-02906180

Place: Gurugram
Date: 25 May 2023

Atul Sud
Company Secretary
M. No:- F10412

Place: Phillaur
Date: 25 May 2023

Parveen Kumar Goel
Whole-time Director and CFO
DIN:- 00007297

Place: Delhi
Date: 25 May 2023

Statement of Cash Flows for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

		For the year ended 31 March 2023	For the year ended 31 March 2022
A.	**Cash flow from operating activities**		
	Profit before tax	1,020.01	693.28
	Non-cash adjustments to reconcile profit before tax to net cash flows:		
	Depreciation and amortisation expense	491.23	427.54
	Allowances on trade receivable and other advances	7.68	0.32
	Amortisation of government grants	(19.78)	(19.70)
	Change in fair value of derivative contracts	2.55	(2.16)
	Net unrealized foreign exchange loss/ (gain)	2.97	(2.23)
	Dividend income	-	(45.38)
	Net profit on sale/write off of property, plant and equipment	(2.93)	(5.43)
	Share based payment to employees	(0.13)	0.43
	Finance costs	128.95	70.59
	Interest income	(38.13)	(34.33)
Operating profit before working capital changes		1,592.42	1,082.93
	Movement in working capital:		
	Decrease/ (increase) in current loans	0.26	(4.67)
	Decrease in other financial assets	24.61	71.97
	(Increase) in other non-current assets	(0.54)	(0.08)
	(Increase) in other current assets	(113.77)	(54.56)
	(Increase) in inventories	(25.46)	(211.97)
	(Increase) in trade receivables	(151.31)	(33.80)
	(Decrease)/ increase in non current provisions	(14.78)	1.17
	Increase in current provisions	21.37	7.49
	Increase in other liabilities	176.59	39.27
	Increase/ (decrease) in trade payables	192.37	(14.48)
	Increase in other financial liabilities	15.70	11.89
Cash generated from operations		1,717.46	895.16
	Income tax paid (net of refund)	(247.10)	(181.28)
	Net cash from operating activities (A)	1,470.36	713.88
B.	**Cash flows from investing activities**		
	Purchase of property, plant and equipment (including capital work-in-progress, capital creditors and capital advances)	(1,036.07)	(477.03)
	Purchase of intangible assets	-	(1.52)
	Proceeds from sale of property, plant and equipment	10.91	10.88
	Purchase of invesments	(15.78)	(8.76)
	Net investments in bank deposits (having original maturity of more than three months)	(333.22)	(20.96)
	Dividend income	-	45.38
	Interest received	40.61	36.10
	Net cash used in investing activities (B)	(1,333.55)	(415.91)
C.	**Cash flows from financing activities**		
	Proceeds from exercise of employee stock option (including securities premium)	0.39	12.01
	Proceeds from non-current borrowings *	243.82	142.09
	Repayments of non-current borrowings *	(242.39)	(260.06)
	(Repayments)/ Proceeds of current borrowings (net)	(83.01)	101.47
	Payment of lease liabilities (including interest on lease liabilities)**	(16.32)	(10.66)
	Finance costs paid	(124.14)	(67.21)
	Dividend paid	(146.93)	(214.50)

Statement of Cash Flows for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

	For the year ended 31 March 2023	For the year ended 31 March 2022
Net cash used in financing activities (C)	**(368.58)**	**(296.86)**
Net (decrease)/ increase in cash and cash equivalents (A+B+C)	(231.77)	1.11
Cash and cash equivalents at the beginning of the year	313.73	312.62
Cash and cash equivalents at the end of the year	**81.96**	**313.73**

Notes:-

		For the year ended 31 March 2023	For the year ended 31 March 2022
1.	Cash and cash equivalents include		
	Balance with banks		
	- in current accounts	80.67	147.72
	- deposits with original maturity of less than three months	-	164.81
	Cash on hand	1.29	1.20
		81.96	**313.73**

* Also refer note 22 (b) for reconciliation of liabilities from financing activities.

** Refer note 5.

The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Ind AS 7 - on Statement of Cash Flow as notified under Companies (Accounts) Rules, 2015.

Significant accounting policies 2
The accompanying notes form an integral part of the standalone financial statements
As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Rajiv Goyal
Partner
Membership No.: 094549

Place: Gurugram
Date: 25 May 2023

For and on behalf of the Board of Directors of Mrs. Bectors Food Specialities Limited

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Managing Director
DIN:-00108589

Place: Gurugram
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Parveen Kumar Goel
Whole-time Director and CFO
DIN:- 00007297

Place: Delhi
Date: 25 May 2023

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

1. Reporting entity

Mrs. Bectors Food Specialities Limited referred to as "the Company" is domiciled in India. The Company's registered office is at Theing Road, Phillaur-144410, Punjab, India. The Company is engaged in the business of manufacturing and distribution of food products. The Company caters to both domestic and export markets. The equity shares of the Company are listed on BSE Limited and The National Stock Exchange of India Limited.

2. Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements. These policies have been consistently applied to all the period presented, unless otherwise stated.

a) Basis and purpose of preparation

i) Statement of compliance

These standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act as amended from time to time.

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

The standalone financial statements of the Company for the year ended 31 March 2023 were approved for issue by the Company's Board of Directors on 25 May 2023.

ii) Functional and presentation currency

These standalone financial statements are presented in Indian Rupees, which is the Company's functional currency. All amounts have been rounded to the nearest million, upto two places of decimal, unless otherwise stated.

iii) Basis of measurement

The standalone financial statements have been prepared under the historical cost basis except for the following:

- Defined benefit liability/(assets): Fair value of the plan assets less present value of defined benefit obligations
- Certain financial assets and liabilities (including derivative instruments): measured at fair value

Fair value measurement

Fair value is the price that would be received from sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either –

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to/ by the Company.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole-

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirely in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

of the reporting period during which the changes have occurred.

Further information about the assumptions made in measuring fair values used in preparing these standalone financial statements is included in note 49- Financial instruments.

iv) Use of judgments and estimates

In preparing these standalone financial statements, management has made judgments, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the standalone financial statements are prudent and reasonable. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Judgements

Information about the judgments made in applying accounting policies that have the most significant effects on the amounts recognised in the standalone financial statements have been given below:

- Note 49 - classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding;
- Note 5 and 44- leases classification and assessment of discount rate in relation to lease accounting as per Ind AS 116

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the standalone financial statements for the period ended is included below:

- Note 3 & 6 - useful life and residual value of property, plant and equipment and intangible assets;
- Note 46 - measurement of defined benefit obligations: key actuarial assumptions.
- Note 48 - fair value of share-based payments;

v Note 42 - Recognition and measurement of provisions and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources

- Note 49 - impairment of financial assets;
- Note 2(l) & 49 - Fair value measurement of financial instruments.
- Note 2(m) – Impairment test of non-financial assets: key assumptions underlying recoverable amounts
- Note 12 – Valuation of inventories
- Note 2(h),25 & 29 – Accounting for Government grant
- Note 2(n), 10 & 24 - recognition of tax expense including deferred tax
- Note 2(g) – Revenue from contract with customers and related accruals

v) Current and non-current classification

The Company presents assets and liabilities in the standalone financial statements based on current / non-current classification.

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle.
- it is held primarily for the purpose of being traded;
- it is expected to be realized within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

A liability is classified as current when it satisfies any of the following criteria:

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

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

Current assets/liabilities include current portion of non-current financial assets/ liabilities respectively. All other assets/ liabilities are classified as non-current. Deferred tax assets and liabilities (if any) are classified as non-current assets and liabilities.

Operating cycle

Based on the nature of the operations and the time between the acquisition of assets for processing and their realization in cash or cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current/ non-current classification of assets and liabilities.

b) Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment (PPE) are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

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

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

Major machinery spares parts are classified as property, plant and equipment when they are expected to be utilized over more than one period. Other spares are carried as inventory and recognised in the Standalone Statement of Profit and Loss as and when consumed.

Any gain or loss on disposal of property, plant and equipment is recognised in Standalone Statement of Profit and Loss.

The cost of property, plant and equipment not ready for their intended use is recorded as capital work-in-progress before such date. Cost of construction that relate directly to specific property, plant and equipment and that are attributable to construction activity in general and can be allocated to specific property, plant and equipment are included in capital work-in-progress.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

The cost and related accumulated depreciation are eliminated from the standalone financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Standalone Statement of Profit and Loss. Assets held for sale, that meets the criteria of Ind AS 105 are reported at the lower of the carrying value or the fair value less cost to sell.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at 1 April 2016, measured as per the previous GAAP and use that carrying value as the deemed cost of such property, plant and equipment.

Subsequent Measurement

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the Standalone Statement of Profit and Loss when incurred.

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

Depreciation

Depreciation is calculated on cost of items of PPE (excluding freehold land) less their estimated residual values over their estimated useful lives using the straight line basis using the rates based on the useful lives prescribed as per Part C of schedule II, of the Companies Act 2013 except in case of certain plant and equipment such as moulds, crates and pallets where the management has assessed useful life as 3 years based on internal technical evaluation, and is recognised in the Standalone Statement of Profit and Loss. Freehold land is not depreciated.

Depreciation on items of property, plant and equipment is provided as per the rates corresponding to the useful life specific in Schedule II of the Companies Act, 2013 read with notification dated 29 August 2014 of Ministry of Corporate Affairs as follows:

Assets	Management estimate of useful life	Useful life as per Schedule II
Building	30 years	30 years
Plant and machinery	3 to 25 years	15 years
Furniture and fixtures	10 years	10 years
Vehicles	8 years	8 years
Office equipment	5 years	5 years
Computer	3 to 6 years	3 to 6 years

Significant components of assets and their useful life and depreciation charge is based on an internal technical evaluation. These estimated lives are based on technical assessment made by technical expert and management estimates. Management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of). The leasehold improvements are depreciated over the period of lease term or useful life, whichever is earlier.

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

Derecognition

A property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use and disposal. Losses arising from retirement and gains or losses arising from disposal of a tangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Standalone Statement of Profit and Loss.

c) Intangible assets

Intangible assets that are acquired by the Company are measured initially at cost. Cost of an item of Intangible asset comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in Standalone Statement of Profit and Loss as incurred.

Estimated useful life of the software is considered as 5 years.

Amortisation method, useful lives and residual values are reviewed at the end of each period / year and adjusted, if appropriate.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Standalone Statement of Profit and Loss when the asset is derecognized.

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

Advances paid towards acquisition of intangible assets outstanding at each period end date, are shown under other non-current assets and cost of assets not ready for intended use before the period end, are shown as intangible asset under development.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognized as at 1 April 2016, measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

d) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currency of the Company at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in the Standalone Statement of Profit and Loss.

e) Borrowing costs

Borrowing costs are interest and other costs (including exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred by the Company in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily takes substantial period of time to get ready for their intended use are capitalized as a part of cost of the asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

f) Employee benefits

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

Share-based payment transactions

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date.

Post-employment benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the Standalone Statement of Profit and Loss in the periods during which the related services are rendered by employees.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

Gratuity

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

in the current and prior periods, discounting that amount and deducting the fair value of any plan assets

The Plan is funded with an Insurance Company in the form of insurance policy. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other Comprehensive Income (OCI). The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the Standalone Statement of Profit and Loss.

Other long term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets, if any out of which the obligations are expected to be settled. The cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit or Loss in the period in which they occur.

g) Revenue

i. Sale of goods

Under Ind AS 115, the Company recognized revenue when (or as) a performance obligation was satisfied, i.e. when 'control' of the goods underlying the particular performance obligation were transferred to the customer.

Further, revenue from sale of goods is recognized based on a 5-Step Methodology which is as follows:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract
Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Revenue is recognised when a customer obtains control of the goods which is ordinarily upon delivery at the customer premises. Revenue is measured at transaction price, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as goods and services tax, etc. For certain contracts that permit the customer to return an item, revenue is recognised to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognised will not occur. As a consequence, for those contracts for which the Company is unable to make a reasonable estimate of return, revenue is recognised when the return period lapses, or a reasonable estimate can be made.

Rendering of services

Revenue in respect of sale of services is recognised on an accrual basis in accordance with the terms of the relevant agreements.

ii. Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

iii. Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

iv. Right of return

Company provides a customer with a right to return on grounds of quality. The Company uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Company will be entitled. The requirements in Ind AS 115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Company recognises a refund liability. A right of return asset and corresponding adjustment to change in inventory is also recognised for the right to recover products from a customer.

h) Government grants and subsidies

Government grants for capital assets are recognised initially as deferred income at fair value when there is reasonable assurance that they will be received and the Company will comply with the conditions associated with the grant, they are then recognised in Standalone Statement of Profit and Loss as other income on a systematic basis.

Grants that compensate the Company for expenses incurred are recognised in the statement of profit and loss, as income or deduction from the relevant expense on a systematic basis in the periods in which such expenses are recognized.

Export Incentives

Export incentives under various schemes notified by the government are recognised on accrual basis when no significant uncertainties as to the amount of consideration that would be derived and that the Company will comply with the conditions associated with the grant and ultimate collection exist.

i) Recognition of interest income or expense

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument to:

a) the gross carrying amount of the financial asset; or

b) the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Dividend income

Dividend income is recognised when the Company's right to receive the dividend is established which is generally when shareholders approve the dividend.

j) Inventories

Inventories are measured at the lower of cost and net realizable value. The methods of determining cost of various categories of inventories are as follows:

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Raw materials, packing materials and stores and spares	Weighted average method
Traded goods	Weighted average method
Work-in-progress and finished goods (manufactured)	Weighted average cost and includes an appropriate share of variable and fixed production overheads. Fixed production overheads are included based on normal capacity of production facilities.
Goods in transit	Specifically identified purchase cost

The cost of inventories includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

k) Provisions, contingent liabilities and contingent assets, Commitments

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. The expense relating to a provision is presented in the Standalone Statement of Profit and Loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Expected future losses are not provided for.

A provision for onerous contract is recognised when the expected benefits to be derived by the company from a contract are lower than the unavoidable cost of meeting its obligation under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the company recognises any impairment loss on assets associated.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the entity. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

Contingent assets are not recognised in the standalone financial statements but disclosed where an inflow of economic benefit is probable.

Commitments

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting date.

l) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign exchange forward contracts, embedded derivatives in the host contract, etc.

A contract to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments are financial instrument i.e. derivative contracts except for contracts which are entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the

Notes to Standalone Financial Statements

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Company's expected purchase, sale or usage requirements are not financial instruments.

Financial assets

i) Initial recognition and measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (except trade receivable) is recognised initially at fair value plus or minus transaction cost that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit and loss). Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss ('FVTPL') are recognised immediately in the Statement of Profit and Loss.

ii) Classifications and subsequent measurement

Classifications

The Company classifies its financial assets as subsequently measured at either amortised cost or fair value depending on the Company's business model for managing the financial assets a nd the contractual cash flow characteristics of the financial assets.

Business model assessment

The Company makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management.

Assessment whether contractual cash flows are solely payments of principal and interest

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

Debt instrument at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at Fair value though Profit and Loss (FVTPL):

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate ('EIR') method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Debt instrument at fair value through Other Comprehensive Income (FVOCI)

A financial asset is measured at FVOCI only if both of the following conditions are met:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

After initial measurement, such financial assets are subsequently measured at fair value with changes in fair value recognised in other comprehensive income (OCI). Interest income is recognised basis EIR method and the losses arising from Expected Credit Losses (ECL) impairment are recognised in the profit or loss.

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

Debt instrument at fair value through Profit and Loss (FVTPL)

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL.

Equity instruments

All equity investments in entities other than tax free bonds and fixed deposits are measured at fair value.

Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit and Loss.

Investments in tax free bonds and fixed deposits are measured at amortised cost.

Investments in Subsidiaries and Associate:

Investments in Subsidiaries and Associate 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, associates, the difference between net disposal proceeds and the carrying amounts are recognized in the Standalone Statement of Profit and Loss.

iii) Reclassification of financial assets

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Company changes its business model for managing financial assets.

iv) Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial liabilities

i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and loss, amortised cost, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of amortised cost, net of directly attributable transaction costs.

ii) Classification and subsequent measurement

The measurement of financial liabilities depends on their classification, as described below: Financial Liabilities measured at amortised cost

After initial recognition, financial liabilities are amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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(All amounts are in rupees million, unless otherwise stated)

Financial Liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

iii) Derecognition of financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously ('the offset criteria').

Derivative financial instruments

The Company holds derivative financial instruments to hedge its foreign currency exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met. Contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments are also derivative financial instruments.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss and are included in other gains/ (losses).

m) Impairment

Impairment of financial assets

The Company recognises loss allowances for expected credit loss on financial assets measured at amortised cost. At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have detrimental impact on the estimated future cash flows of the financial assets have occurred.

Evidence that a financial asset is credit – impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for 90 days or more;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

Bank balances for which credit risk (i.e. the risk of default occurring over the expected life of financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months)

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers

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for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowance for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write- off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with Company's procedures for the recovery of amount due.

Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest Group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

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

The Company's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment loss recognised in respect of a CGU is allocated first to reduce the

carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amount of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

n) Income taxes

Income tax comprises current and deferred tax. It is recognised in the Standalone Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income. Section 115 BAA of the Income Tax Act 1961, introduced by Taxation Laws (Amendment) Ordinance, 2019 gives a one-time irreversible option to Domestic Companies for payment of corporate tax at reduced rates.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable

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income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance Sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the Balance Sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised in the Standalone Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

o) Leases

Leases under Ind AS 116

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As lessee

The Company's lease asset classes primarily consist of leases for buildings and leasehold land. The Company, at the inception of a contract, assesses whether the contract is a lease or not. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contracts existing and entered on or after 1 April 2019.

The Company elected to use the following practical expedients on initial application:

- Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
- Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.

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(All amounts are in rupees million, unless otherwise stated)

- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Standalone Statement of Profit and Loss.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and Standalone Statement of Profit and Loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in Standalone Statement of Profit and Loss.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, if the company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of- use asset has been reduced to zero. The company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'financial liabilities' in the statement of financial position.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The Company recognises the lease payments associated with

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these leases as an expense in the Statement of Profit or Loss over the lease term.

As lessor

Leases in which the Company transfer substantially all the risks and benefits of ownership of the assets are classified as finance leases. Assets given under finance lease are recognized as a receivable at an amount equal to the net investment in the lease. After initial recognition, the Company apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The interest income is recognized in the standalone statement of profit and loss. Initial direct costs such as legal cost, brokerage cost etc. are recognized immediately in the standalone statement of profit and loss.

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating lease are included in Property, plant and equipment. Lease income on an operating income is recognized in the standalone statement of profit and loss on a straight line basis over lease term. Costs, including depreciation, are recognized as an expense in the standalone statement of profit and loss. Initial direct costs such as legal cost, brokerage cost etc. are recognized immediately in the standalone statement of profit and loss.

Assets held under lease

Leases of property, plant and equipment that transfer to the Company substantially all the risk and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to the initial recognition, the assets are accounted for in accordance with the accounting policies applicable to similar owned assets.

Assets held under leases that do not transfer to the Company substantially all the risk and rewards of ownership (i.e. operating lease) are not recognised in the Company's Balance Sheet.

Lease Payments

Payments made under operating leases are generally recognised in the Standalone Statement of Profit and Loss on a straight line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase. Lease incentive received are recognised as an integral part of the total lease expense over the term of the lease.

Payments made under finance lease are allocated between the outstanding liability and finance cost. The finance cost is charged to the Standalone Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

p) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of Directors of the Company have been identified as being the Chief operating decision maker by the management of the Company. Refer note 43 for segment information presented.

q) Corporate Social Responsibility ("CSR") expenditure

CSR expenditure incurred by the Company is charged to the Standalone Statement of the Profit and Loss.

r) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash in hand, demand deposits held with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

s) Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of

Notes to Standalone Financial Statements

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(All amounts are in rupees million, unless otherwise stated)

income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

t) Earnings per share

Basic earnings/(loss) per share are calculated by dividing the net profit/(loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue and share split. For the purpose of calculating diluted earnings/ (loss) per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

u) Cash dividend

The Company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

v) Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

(All amounts are in rupees million, unless otherwise stated)

3. Property, plant and equipment

Particulars	Gross block				Depreciation				Net block	
	As at 1 April 2022	Additions	Disposals/ adjustments	As at 31 March 2023	As at 1 April 2022	Charge for the year	Disposals/ adjustments	As at 31 March 2023	As at 1 April 2022	As at 31 March 2023
Own assets										
Freehold land	182.92	90.39	-	273.31	-	-	-	-	182.92	273.31
Leasehold improvements	3.18	-	-	3.18	0.19	0.34	-	0.53	2.99	2.65
Buildings @	1,288.66	158.61	-	1,447.27	206.86	47.21	-	254.07	1,081.80	1,193.20
Plant and machinery #	3,792.94	331.50	39.76	4,084.68	1,559.42	399.93	28.92	1,930.43	2,233.52	2,154.25
Furniture and fixtures	46.07	2.72	0.12	48.67	23.75	4.46	0.09	28.12	22.32	20.55
Vehicles	124.37	31.90	6.03	150.24	52.99	14.12	3.34	63.77	71.38	86.47
Office equipment	33.51	4.48	0.31	37.68	19.46	4.80	0.27	23.99	14.05	13.69
Computer	26.09	8.94	0.22	34.81	17.95	4.35	0.14	22.16	8.14	12.65
Total	**5,497.74**	**628.54**	**46.44**	**6,079.84**	**1,880.62**	**475.21**	**32.76**	**2,323.07**	**3,617.12**	**3,756.77**

Particulars	Gross block				Depreciation				Net block	
	As at 1 April 2021	Additions	Disposals/ adjustments	As at 31 March 2022	As at 1 April 2021	Charge for the year	Disposals/ adjustments	As at 31 March 2022	As at 1 April 2021	As at 31 March 2022
Own assets										
Freehold land	162.93	19.99	-	182.92	-	-	-	-	162.93	182.92
Leasehold improvements	-	3.18	-	3.18	-	0.19	-	0.19	-	2.99
Buildings @	1,247.23	41.43	-	1,288.66	163.69	43.17	-	206.86	1,083.54	1,081.80
Plant and machinery #	3,057.95	762.15	27.16	3,792.94	1,233.52	347.59	21.69	1,559.42	1,824.43	2,233.52
Furniture and fixtures	43.79	2.28	-	46.07	19.28	4.47	-	23.75	24.51	22.32
Vehicles	109.99	19.06	4.68	124.37	45.14	12.18	4.33	52.99	64.85	71.38
Office equipment	27.05	6.46	-	33.51	15.28	4.18	-	19.46	11.77	14.05
Computer	20.99	5.33	0.23	26.09	14.53	3.59	0.17	17.95	6.46	8.14
Total	**4,669.93**	**859.88**	**32.07**	**5,497.74**	**1,491.44**	**415.37**	**26.19**	**1,880.62**	**3,178.49**	**3,617.12**

a) Refer note 22 and 26 for charge created on property, plant and equipment.

b) Vehicles includes motor cars having gross block amounting to Rs. 0.03 (31 March 2022 Rs. 0.03) and written down value amounting to Rs. 0.03 (31 March 2022 Rs. 0.03) are pending to be registered in the name of the Company.

c) Refer note 42 C for disclosure of capital commitments for the acquisition of property, plant and equipment.

Plant and machinery includes amount of gross value Rs. 1,782.74 (31 March 2022 Rs. 1,575.80), net value of Rs. 968.95 (31 March 2022 Rs. 919.45) which are partially given under lease arrangement. Also refer note – 32.

@ Buildings includes amount of gross value Rs. 715.04 (31 March 2022 Rs. 565.71), net value of Rs. 605.43 (31 March 2022 Rs. 479.18) which are partially given under lease arrangement. Also refer note – 32.

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

4. Capital work-in-progress

Particulars	As at 1 April 2022	Additions	Capitalised during the year	As at 31 March 2023
Capital work-in-progress*	117.58	756.99	396.11	478.46

Particulars	As at 1 April 2021	Additions	Capitalised during the year	As at 31 March 2022
Capital work-in-progress*	552.74	332.83	767.99	117.58

Capital work in progress (CWIP) ageing schedule

As at 31 March 2023

Particulars	Amount in CWIP for a period of				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress					
Rajpura (New biscuit lines)	430.41	-	-	-	430.41
Indore (New biscuit lines)	9.26	0.68	-	0.63	10.57
Misc projects lying at various locations	29.17	0.87	7.44	-	37.48
Projects temporarily suspended	-	-	-	-	-
Total	468.84	1.55	7.44	0.63	478.46

As at 31 March 2022

Particulars	Amount in CWIP for a period of				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress					
Rajpura (New biscuit line)	87.90	-	-	-	87.90
Noida (Sour Dough)	15.13	-	-	-	15.13
Misc projects lying at various locations	6.48	7.44	0.63	-	14.55
Projects temporarily suspended	-	-	-	-	-
Total	109.51	7.44	0.63	-	117.58

Capital work in progress (CWIP) completion schedule

- For capital-work-in progress, whose completion is overdue to its original plan:-

As at 31 March 2022

There is no such capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan.

As at 31 March 2023

Particulars	To be completed in				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress					
Rajpura (Flavour Distribution Unit)#	7.85	-	-	-	7.85
Projects temporarily suspended	-	-	-	-	-
Total	7.85	-	-	-	7.85

The project was delayed due some technical requirements in the machinery, the same will be capitalised in FY 2023-24.

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

*Detail of preoperative expenses included in CWIP	As at 31 March 2023	As at 31 March 2022
Opening for the year	4.00	18.09
Additions as per statement of profit and loss during the year		
- Interest and processing charges @ (Refer note 38)	5.54	20.23
- Bank charges (Refer note 40)	-	0.01
- Power & fuel (Refer note 40)	0.34	1.31
- Rates and taxes (Refer note 40)	5.45	-
- Employee benefits expense (Refer note 37)	3.48	1.55
- Legal & professional expense (Refer note 40)	0.81	0.06
- Insurance (Refer note 40)	0.11	-
- Commission and brokerage (Refer note 40)	1.31	-
- Travelling and conveyance (Refer note 40)	3.98	0.50
- Miscellaneous expenses (Refer note 40)	0.10	1.65
Subtotal	21.12	25.31
Less:- Capitalised to respective property, plant and equipment	3.43	39.40
Closing for the year	21.69	4.00

@ Capitalisation of borrowing costs relates to funds borrowed both specifically and generally to acquire/construct qualifying assets. The capitalisation relating to general borrowings is Rs. 4.42 at 8% (31 March 2022 Rs. 8.70 at 6% to 7%).

5. Right-of-use assets and lease liabilities :

Information about leases for which the Company is a lessee is presented below :

Particulars	Category of Right-of-use assets		
	Leasehold land	Building	Total
Right-of-use assets (ROU Assets)			
Balance as on 1 April 2022	135.51	56.81	192.32
Addition/ reclassification of leases	-	5.24	5.24
Depreciation charge for the year	(1.59)	(13.97)	(15.56)
Balance as on 31 March 2023	133.92	48.08	182.00

Particulars	Category of Right-of-use assets		
	Leasehold land	Building	Total
Right-of-use assets (ROU Assets)			
Balance as on 1 April 2021	137.10	4.91	142.01
Addition/ reclassification of leases	-	62.17	62.17
Depreciation charge for the year	(1.59)	(10.27)	(11.86)
Balance as on 31 March 2022	135.51	56.81	192.32

6. Other intangible assets

Particulars	Gross block				Amortisation				Net block	
	As at 1 April 2022	Additions	Deletions	As at 31 March 2023	As at 1 April 2022	Charge for the year	Deletions	As at 31 March 2023	As at 1 April 2022	As at 31 March 2023
Computer softwares	29.08	-	-	29.08	27.46	0.46	-	27.92	1.62	1.16
Total	29.08	-	-	29.08	27.46	0.46	-	27.92	1.62	1.16

Particulars	Gross block				Amortisation				Net block	
	As at 1 April 2021	Additions	Deletions	As at 31 March 2022	As at 1 April 2021	Charge for the year	Deletions	As at 31 March 2022	As at 1 April 2021"	As at 31 March 2022
Computer softwares	27.56	1.52	-	29.08	27.15	0.31	-	27.46	0.41	1.62
Total	27.56	1.52	-	29.08	27.15	0.31	-	27.46	0.41	1.62

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

The aggregate depreciation expense on ROU assets amounting to Rs. 15.56 (31 March 2022 Rs. 11.86) is included under depreciation and amortisation expense in the Statement of Profit and Loss.

The following is the movement in lease liabilities during the year:

Lease liabilities	As at 31 March 2023	As at 31 March 2022
Balance at the beginning	69.95	15.38
Addition for new leases	5.24	62.17
Accredition of interest (refer note 38)	4.24	3.06
Payment of lease liabilities	(16.32)	(10.66)
Balance at the end	**63.11**	**69.95**

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Lease liabilities	As at 31 March 2023	As at 31 March 2022
Maturity analysis – contractual undiscounted cash flows		
Less than one year	15.33	15.24
After one year but not longer than five years	42.46	44.35
More than five years	81.75	90.45
Total	139.54	150.04
Lease liabilities included in the statement of financial position		
Current	11.72	11.19
Non- current	51.39	58.76
Total	**63.11**	**69.95**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The Company has taken variuos long term leases which typically run for a period of 3 to 99 years with an option to renew the lease after that date. For, certain leases, the lease rental is increased every 1 to 3 years. The company is restricted from entering into any sub-lease agreements.

The Company has taken certain rented premises on lease with contract terms within one year. These leases are short-term in nature and the Company has elected not to recognise right-of-use-assets and lease liabilities for these assets. The Company incurred Rs. 25.80 (31 March 2022 Rs. 21.71) during the year towards expenses relating to short-term leases for which the recognition exemption has been applied (Refer note 40).

The total cash outflow for leases (including short term leases) is Rs. 42.12 (31 March 2022 Rs. 32.37) during the year.

7 Investments in subsidiaries*

Lease liabilities	As at 31 March 2023	As at 31 March 2022
Unquoted equity shares at cost		
18,150,000 (31 March 2022: 18,150,000) equity shares of Rs 10/- each fully paid up of Bakebest Foods Private Limited	181.50	181.50
1,000,000 (31 March 2022: 50,000) equity shares of Rs.10/- each fully paid up of Mrs. Bectors English Oven Limited	10.00	0.50
1 (31 March 2022: 1) equity share of Rs. 3,000,000/- each fully paid up of Mrs. Bectors Food International (FZE)	3.00	3.00
	194.50	**185.00**

*Also refer note 13.

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

8 Other investments*

	As at 31 March 2023	As at 31 March 2022
Investment in associate		
Quoted investment in equity share at cost*		
1,937,268 (31 March 2022: 1,937,268) equity shares of Rs.10/- each fully paid up of Cremica Agro Foods Limited	17.09	17.09
Unquoted investment in equity shares *		
Investments at fair value through profit and loss		
480,000 (31 March 2022: 260,000) equity shares of Rs.10/- each fully paid up of Solarstream Renewable Services Private Limited	4.80	2.60
	21.89	**19.69**

*Also refer note 13.

9 Other non-current financial assets

	As at 31 March 2023	As at 31 March 2022
Deposits with maturity of more than 12 months		
- Margin money deposit*	148.76	-
- Deposits with maturity of more than 12 months	86.22	-
Security deposits	44.19	37.12
	279.17	**37.12**

*Margin money deposits with carrying amount of Rs. 148.76 (31 March 2022 Rs. 0.00) are subject to charge to secure the Company's inland letter of credit and bank guarantees.

10 Income tax assets (net)

	As at 31 March 2023	As at 31 March 2022
Advance income tax (net of provision for tax)	38.26	37.74
	38.26	**37.74**

11 Other non-current assets

	As at 31 March 2023	As at 31 March 2022
Prepaid expenses	1.66	1.12
Capital advances	174.53	94.54
	176.19	**95.66**

12 Inventories

(valued at the lower of cost and net realisable value)

	As at 31 March 2023	As at 31 March 2022
Raw material and packing material	421.24	475.53
Work-in-progress	0.84	1.46
Finished goods - Manufactured goods (including stock in transit Rs. 112.55 (31 March 2022 Rs. 117.88))*	337.70	262.84
Stores and spares	33.68	28.17
	793.46	**768.00**

*The write-down of inventories to net realisable value during the year amounted to Rs. 0.23 (31 March 2022 Rs. 3.51) and are included in changes in inventories of finished goods and work-in-progress.

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

13 Current investments

	As at 31 March 2023	As at 31 March 2022
Deposits with financial institution-unquoted		
- 7.60% (31 March 2022 : 5.30%) fixed deposit with Housing Development Finance Corporation Limited	68.95	64.87
	68.95	**64.87**
Unquoted		
Aggregate book value	268.25	252.47
Aggregate market value	Nil	Nil
Aggregate amount of impairment in value of investments	Nil	Nil
Quoted		
Aggregate book value	17.09	17.09
Aggregate market value*	-	-
Aggregate amount of impairment in value of investments	Nil	Nil

* Not traded since the date of listing.

14 Trade receivables

(Unsecured, considered good, unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
Trade receivables*	903.52	775.19
Less: Loss allowance**	(50.22)	(63.73)
	853.30	**711.46**
Break-up of trade receivables:		
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	856.73	712.90
Trade receivables which have significant increase in credit risk	27.99	43.49
Trade receivables – credit impaired	18.80	18.80
Total	**903.52**	**775.19**
Less: Expected credit loss allowance		
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	(3.43)	(1.44)
Trade receivables which have significant increase in credit risk	(27.99)	(43.49)
Trade receivables – credit impaired	(18.80)	(18.80)
Total trade receivables	**853.30**	**711.46**

*Includes dues from related parties (refer note 47)
** The Company's exposure to credit & currency risk and loss allowances related to trade receivables are disclosed in note 49 on financial instruments.

Trade receivable ageing schedule

As at 31 March 2023	Unbilled	Not Due	< 6 months	6 months to 1 year	1 year to 2 years	2 year to 3 years	> 3 years	Total gross receivables	Expected credit loss	Net receivables
Undisputed trade receivable - considered good	23.82	581.71	245.57	5.28	0.35	-	-	856.73	3.43	853.30
Undisputed trade receivable - which have significant increase in credit risk	-	-	-	3.98	6.61	1.28	1.23	13.10	13.10	-
Undisputed trade receivable - credit impaired	-	-	-	1.10	3.31	8.64	5.75	18.80	18.80	-
Disputed trade receivable - considered good	-	-	-	-	-	-	-	-	-	-

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

As at 31 March 2023	Unbilled	Not Due	< 6 months	6 months to 1 year	1 year to 2 years	2 year to 3 years	> 3 years	Total gross receivables	Expected credit loss	Net receivables
Disputed trade receivable - which have significant increase in credit risk	-	-	-	0.10	2.07	3.80	8.92	14.89	14.89	-
Disputed trade receivable - credit impaired	-	-	-	-	-	-	-	-	-	-
Total	23.82	581.71	245.57	10.46	12.34	13.72	15.90	903.52	50.22	853.30

As at 31 March 2022	Unbilled	Not Due	< 6 months	6 months to 1 year	1 year to 2 years	2 year to 3 years	> 3 years	Total gross receivables	Expected credit loss	Net receivables
Undisputed trade receivable - considered good	6.33	476.57	228.53	1.47	-	-	-	712.90	1.44	711.46
Undisputed trade receivable - which have significant increase in credit risk	-	-	-	8.12	2.81	2.52	6.62	20.07	20.07	-
Undisputed trade receivable - credit impaired	-	1.10	2.52	0.88	8.95	5.35	-	18.80	18.80	-
Disputed trade receivable - considered good	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable - which have significant increase in credit risk	-	-	-	5.75	7.20	2.57	7.90	23.42	23.42	-
Disputed trade receivable - credit impaired	-	-	-	-	-	-	-	-	-	-
Total	6.33	477.67	231.05	16.22	18.96	10.44	14.52	775.19	63.73	711.46

15 Cash and cash equivalents

	As at 31 March 2023	As at 31 March 2022
Balances with banks	80.67	147.72
In current account#	1.29	1.20
Cash on hand	-	164.81
Deposits with banks for original maturity of less than three months		
	81.96	**313.73**

#Includes debit balance of working capital facility availed from HDFC Bank Limited amounting to Rs. 24.77 (31 March 2022 Rs. 127.44) and ICICI Bank Limited amounting to Rs. 44.22 (31 March 2022 Rs. Nil).

16 Bank balances other than cash and cash equivalents above

	As at 31 March 2023	As at 31 March 2022
Margin money deposit*	30.51	71.17
Deposits due to be matured within 12 months of the reporting date	538.32	399.42
	568.83	**470.59**

*Margin money deposits with carrying amount of Rs. 30.51 (31 March 2022 Rs. 71.17) are subject to charge to secure the Company's inland letter of credit and bank guarantees.

17 Current loans

(unsecured, considered good)

	As at 31 March 2023	As at 31 March 2022
Loan to employees	4.41	4.67
	4.41	**4.67**

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for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

18 Other current financial assets

(unsecured, considered good)

	As at 31 March 2023	As at 31 March 2022
Derivatives		
Forward exchange contracts used for hedging	5.42	9.40
Derivative contract for purchase of wheat not designated as hedges	1.43	-
Export incentives receivable	120.90	133.43
Security deposits	0.80	27.03
Claims receivable on export	9.19	5.02
Interest accrued but not due on fixed deposits with banks	-	2.48
Recoverable from subsidiary	2.18	-
Other advances	1.75	1.02
	141.67	**178.38**

19 Other current assets

	As at 31 March 2023	As at 31 March 2022
Advances recoverable in cash or kind		
-Considered good	141.77	81.87
-Consider doubtful	15.75	13.07
Less: Provision for doubtful advances recoverable in cash or kind	(15.75)	(13.07)
Prepaid expenses	20.13	16.95
Right to recover returned goods*	9.66	6.48
Balances with statutory/government authorities	85.10	37.59
	256.66	**142.89**

* Denotes sales with right to return.

20 Equity share capital

	As at 31 March 2023	As at 31 March 2022
Authorised	650.00	650.00
65,000,000 (As at 31 March 2022: 65,000,000) equity shares of Rs. 10/- each		
Issued, subscribed and paid-up		
58,817,474 (as at 31 March 2022: 58,815,325) equity shares of Rs. 10/- each	588.17	588.15
	588.17	**588.15**

a. Terms and rights attached to equity shares

(i) The Company has issued one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The equity shareholders are entitled to receive dividend as declared from time to time.

(ii) In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

b. Reconciliation of number of shares outstanding at the beginning and end of the year.

Particulars	Number of Shares	Amount
Outstanding as at 1 April 2021	5,87,46,514	587.47
Shares issued during the year	-	-
Share based options exercised during the year	68,811	0.69

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for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

Particulars	Number of Shares	Amount
Outstanding as at 31 March 2022	5,88,15,325	588.15
Shares issued during the year	-	-
Share based options exercised during the year	2,149	0.02
Outstanding as at 31 March 2023	**5,88,17,474**	**588.17**

c. Details of shareholders holding more than 5% shares in the Company:

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Equity shares of Rs.10 each fully paid				
Anoop Bector	1,25,50,800	21.34%	1,25,50,800	21.34%
Anoop Bector (AB Family Trust)	59,84,462	10.17%	59,55,462	10.13%
Ishaan Bector (IB Family Trust)	47,63,111	8.10%	47,63,111	8.10%
Suvir Bector (SB Family Trust)	47,63,111	8.10%	47,63,111	8.10%
SBI Mutual Fund	46,50,000	7.91%	-	0.00%
GW Crown Pte Limited	-	0.00%	47,12,163	8.01%
Linus Private Limited	-	0.00%	46,13,846	7.84%

d. Promotor Shareholding

Promoter Name	As at 31 March 2023			As at 31 March 2022		
	No. of Shares	% of total shares	% change during the year	No. of Shares	% of total shares	% change during the year
Anoop Bector	1,25,50,800	21.34%	0.00%	1,25,50,800	21.34%	0.00%
Anoop Bector HUF	20,05,970	3.41%	0.00%	20,05,970	3.41%	0.00%
Ishaan Bector	5,100	0.01%	5000.00%	100	0.00%	0.00%
Rashmi Bector	100	0.00%	0.00%	100	0.00%	0.00%
Suvir Bector	5,100	0.01%	5000.00%	100	0.00%	0.00%
Anoop Bector (AB Family Trust)	59,84,462	10.17%	0.49%	59,55,462	10.13%	0.00%
Ishaan Bector (IB Family Trust)	47,63,111	8.10%	0.00%	47,63,111	8.10%	0.00%
Suvir Bector (SB Family Trust)	47,63,111	8.10%	0.00%	47,63,111	8.10%	0.00%
Total	**3,00,77,754**	**51.14%**	**0.13%**	**3,00,38,754**	**51.07%**	**0.00%**

e. Aggregate number of shares allotted or fully paid up during the last five years immediately preceding balance sheet date pursuant to contract without payment received in cash and/or by way of fully paid bonus shares

	31 March 2023	31 March 2022	31 March 2021	31 March 2020	31 March 2019	31 March 2018
	Numbers of shares	Numbers of shares	Numbers of shares	Numbers of shares	Numbers of shares	Numbers of shares
Equity shares allotted as fully paid bonus shares by capitalisation of securities premium	-	-	-	-	-	2,86,33,811
	-	-	-	-	-	-

f. Shares reserved for issue under options

Information relating to Company's option plan, including details of options issued, exercised, and lapsed during the year and options outstanding at the end of the reporting year, is given in note 48.

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for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

21 Other equity

		As at 31 March 2023	As at 31 March 2022
a	**Capital reserve**		
	Balance at the beginning of the year	14.37	14.37
	Less: Movement during the year	-	-
	Balance at the end of the year	**14.37**	**14.37**
b	**Securities premium**		
	Balance at the beginning of the year	644.72	628.38
	Add:- Share based options exercised during the year	0.54	16.34
	Balance at the end of the year	**645.26**	**644.72**
c	**Retained earnings**		
	Balance at the beginning of the year	3,237.47	2,909.32
	Add: Profit for the year	762.53	534.93
	Add: Other comprehensive income for the year	(0.58)	7.85
	Less: Dividends	(147.04)	(214.63)
	Balance at the end of the year	**3,852.38**	**3,237.47**
d	**Share options outstanding account**		
	Balance at the beginning of the year	0.30	4.89
	Share based expense	0.03	0.43
	Employee stock option exercised during the year	(0.17)	(5.02)
	Share based option forfeited during the year	(0.16)	-
	Balance at the end of the year	-	0.30
	Total	**4,512.01**	**3,896.86**

Nature of reserves

Capital reserve

Capital reserve is on account of the business combination transaction as per the Court Scheme dated 04 July 2014.

Securities premium

Securities premium account is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Retained earnings

Retained earnings comprises of undistributed earnings after taxes.

Other comprehensive income/ (loss)

Remeasurement of defined benefit plans (included in retained earnings)

"Remeasurement of defined benefit plans represents the following as per Ind AS 19, employee benefits:

(a) actuarial gains and losses

(b) the return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset); and

(c) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset)

Share options outstanding account

The share options outstanding account is used to recognize the grant date fair value of options issued to employees under the employee stock option scheme.

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for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

21 Other equity

	As at 31 March 2023	As at 31 March 2022
Dividends		
The following dividends were declared by the Company during the year:		
Interim Dividend - Rs. 1.25 per equity share (31 March 2022: Rs. 1.25)	73.52	73.52
Final Dividend - Rs. 1.75 per equity share (31 March 2022: Rs. 1.25)	102.93	73.52
Total	176.45	147.04
Dividend paid during the year		
Interim Dividend	73.48	73.52
Final Dividend*	73.45	140.98
Total	146.93	214.50

* Amount due include dividend remaining unpaid. Refer note 28.

The final dividend paid by the Company during the year, which was declared in the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend. The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Companies Act 2013. As stated in Note 21 to the financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

22 Non-current borrowings

	As at 31 March 2023	As at 31 March 2022
Term loans (Refer note (a))		
From banks (Secured)	1,123.09	1,131.62
Vehicle loans (Refer note (a))		
From banks (Secured)	27.84	13.83
From Others (Secured)	7.63	11.43
Total non-current borrowings	1,158.56	1,156.88
Less: Current maturities of long term debt	(216.01)	(274.21)
Less: Interest accrued but not due on borrowings	(2.64)	(2.39)
Non-current borrowings	939.91	880.28

(a) Terms and conditions of outstanding borrowings are as follows

Particulars	ICICI Bank Limited*	HDFC Bank Limited**	Punjab National Bank***	Vehicle loans****	Interest accrued but not due	Total
Principal amount						
As at 31 March 2023	454.53	454.57	211.42	35.40	2.64	1,158.56
As at 31 March 2022	563.20	566.14	-	25.15	2.39	1,156.88
Year of maturity	2028-29	2027-28	2030-31	2026-27	-	-
Term of repayment	monthly basis	monthly basis	monthly basis	monthly basis	-	-
Nominal Interest rate	6.19% - 8.92%	6.00% - 8.25%	7.55%	6.62% - 9.10%	-	-

* The term loan of ICICI Bank Limited is secured by first pari passu charge on all moveable and immovable fixed assets (PPE) both current and future of the Rajpura, Phillaur and Tahliwal plant. These loans are further secured by first pari passu charge on current assets both present and future of the Rajpura, Phillaur and Tahliwal plant.

** The term loan of HDFC Bank Limited is secured by first charge by way of hypothecation on entire fixed assets (PPE) of the Greater Noida unit. These loans are further secured by way of collateral security of equitable mortgage of factory land measuring 18,720 Sqm situated at 11- A, Udyog Vihar, Greater Noida.

*** The term loan of PNB Bank Limited is secured by first pari passu charge on all moveable and immovable fixed assets (PPE) both current and future of the Rajpura, Phillaur and Tahliwal plant of the Rajpura, Phillaur and Tahliwal plant. These loans are further secured by first pari passu charge on current assets of the Rajpura, Phillaur and Tahliwal plant.

**** Vehicle loans taken from banks and others are secured by hypothecation of respective vehicles.

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

Term Loans

Name of the lender	Penalty Clause	Prepayment
ICICI Bank Limited	Default interest Rates in respect of Domestic term loans : In case of any delay in the repayment of principal installment or payment of interest, charges or other monies due on the facility, default interest rate shall be levied at Documented Rate +2% per annum payable monthly, from the due date till such time the overdue amount is paid. Default interest Rates in respect of International term loans : In case of any delay in the repayment of principal installment or payment of interest, charges or other monies due on the facility, default interest rate shall be levied at Documented Rate + 2% per annum payable monthly, from the due date till such time the overdue amount is paid.	1% of the prepayment amount
Punjab National Bank	Additional/penal interest @ 2% be charged on the default amount over and above the the normal rate of interest.	2% of the prepayment amount

(b) Net debt reconciliation

The following sections sets out an analysis of net debt and the movements in net debt for each of the year presented:

	As at 31 March 2023	As at 31 March 2022
Cash and cash equivalents	81.96	313.73
Bank balances other than cash and cash equivalents	568.83	470.59
Deposits with maturity of more than 12 months	234.98	-
Lease liabilities (current and non-current)	(63.11)	(69.95)
Current borrowings	(266.99)	(408.20)
Non-current borrowings (excluding interest accured)	(939.91)	(880.28)
Interest accrued but not due on borrowings	(2.96)	(2.39)
Net debt	**(387.20)**	**(576.50)**

	Financial assets			Liabilities from financing activities				
	Cash and cash equivalents	Bank balances other than cash and cash equivalents	Deposits with maturity of more than 12 months	Non-Current borrowings	Current borrowings	Interest on borrowings	Lease liabilities (current and non-current)	Total
Net debt as at 1 April 2022	313.73	470.59	-	(880.28)	(408.20)	(2.39)	(69.95)	(576.50)
Cash flows	(231.77)	98.24	234.98	(59.63)	141.21	-	16.32	199.35
Interest expense	-	-	-	-	-	(124.71)	(4.24)	(128.95)
Interest paid	-	-	-	-	-	124.14	-	124.14
Other non-cash movements								
- Acquisitions	-			-	-	-	(5.24)	(5.24)
Net debt as at 31 March 2023	**81.96**	**568.83**	**234.98**	**(939.91)**	**(266.99)**	**(2.96)**	**(63.11)**	**(387.20)**

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

	Financial assets			Liabilities from financing activities				
	Cash and cash equivalents	Bank balances other than cash and cash equivalents	Deposits with maturity of more than 12 months	Non-Current borrowings	Current borrowings	Interest on borrowings	Lease liabilities (current and non-current)	Total
Net debt as at 1 April 2021	312.62	449.52	0.11	(1,148.30)	(156.68)	(2.07)	(15.38)	(560.18)
Cash flows	1.11	21.07	(0.11)	268.02	(251.52)	-	10.66	49.23
Interest expense	-	-	-		-	(67.53)	(3.06)	(70.59)
Interest paid	-	-	-		-	67.21	-	67.21
Other non-cash movements								
- Deletions	-	-	-	-	-		(62.17)	(62.17)
Net debt as at 31 March 2022	**313.73**	**470.59**	**-**	**(880.28)**	**(408.20)**	**(2.39)**	**(69.95)**	**(576.50)**

23 Provisions

	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits		
Compensated absences	18.44	17.32
Gratuity (refer note 46)	27.76	42.89
	46.20	**60.21**

24 Income Tax

A. Amounts recognised in profit or loss

	For the year ended 31 March 2023	For the year ended 31 March 2022
Current tax expense		
Current year	256.88	167.80
Tax adjustment for earlier years	(2.49)	(13.86)
	254.39	**153.94**
Deferred tax credit		
Changes in recognised temporary differences	3.09	4.41
	3.09	**4.41**
Total Tax Expense	**257.48**	**158.35**

B. Amounts recognised in Other Comprehensive Income

	For the year ended 31 March 2023			For the year ended 31 March 2022		
	Before tax	Tax Income/ (Expense)	Net of tax	Before tax	Tax Income/ (Expense)	Net of tax
	(0.77)	0.19	(0.58)	10.49	(2.64)	7.85
Defined benefit plan	**(0.77)**	**0.19**	**(0.58)**	**10.49**	**(2.64)**	**7.85**

C. Reconciliation of effective tax rate

	For the year ended 31 March 2023		For the year ended 31 March 2022	
	Rate	Amount	Rate	Amount
Profit before tax from continuing operations	25.17%	1,020.01	25.17%	693.28
Tax using the Company's domestic tax rate		256.72		174.48
Tax effect of:				

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

	For the year ended 31 March 2023		For the year ended 31 March 2022	
	Rate	Amount	Rate	Amount
Non-deductible expenses	0.37%	3.76	0.46%	3.18
Non-taxable income	0.00%	-	-1.65%	(11.42)
Tax adjustments related to earlier years	-0.24%	(2.49)	-1.21%	(8.41)
Others	-0.05%	(0.51)	0.08%	0.52
Tax expense	**25.24%**	**257.48**	**22.84%**	**158.35**

D. Movement in deferred tax balances

	As at 1 April 2022	Recognized in P&L	Recognized in OCI	As at 31 March 2023
Deferred Tax Liability				
Property, plant and equipment	176.21	(1.66)	-	174.55
Right-of-use assets	16.74	(2.20)	-	14.54
Sub- Total (a)	**192.95**	**(3.86)**	**-**	**189.09**
Deferred Tax Assets				
Provisions - employee benefits	30.89	(1.46)	0.19	29.62
Allowances on doubtful receivables and advances	19.33	(2.73)	-	16.60
Deferred income on grants	26.55	(1.71)	-	24.84
Lease liabilities	17.61	(1.73)		15.88
Others	7.12	0.68	-	7.80
Sub- Total (b)	**101.50**	**(6.95)**	**0.19**	**94.74**
Deferred tax Liabilities (net) (a)-(b)	**91.45**	**3.09**	**(0.19)**	**94.35**

	As at 1 April 2021	Recognized in P&L	Recognized in OCI	As at 31 March 2022
Deferred Tax Liability				
Property, plant and equipment	169.92	6.29	-	176.21
Right-of-use assets	3.68	13.06	-	16.74
Sub- Total (a)	**173.60**	**19.35**	**-**	**192.95**
Deferred Tax Assets				
Provisions - employee benefits	22.60	10.93	(2.64)	30.89
Allowances on doubtful receivables and advances	24.34	(5.01)	-	19.33
Deferred income on grants	31.51	(4.96)	-	26.55
Lease liabilities	3.87	13.74	-	17.61
Others	6.88	0.24	-	7.12
Sub- Total (b)	**89.20**	**14.94**	**(2.64)**	**101.50**
Deferred tax Liabilities (net) (a)-(b)	**84.40**	**4.41**	**2.64**	**91.45**

25 Other non-current liabilities

	For the year ended 31 March 2023	For the year ended 31 March 2022
Deferred income on government grants	81.42	85.33
	81.42	**85.33**

The Company was awarded grants under Export Promotion Capital Goods Scheme (EPCG), Agricultural and Processed Food Products Export Development Authority (APEDA), Technology Upgradation, Establishment, Modernisation of Food Processing Industries under NMFP and Scheme for Cold Chain and Value Addition Infrastructure. The Company has received grant of Rs. 12.97 during the year ended 31 March 2023 under Scheme for Cold Chain and Value Addition Infrastructure. The grants received in earlier years were conditional upon fulfillment of export obligations in case of EPCG purchase of specified plant and machinery in a specified region. The amount received under grants is recognised as deferred income and is being amortised over the useful life of the plant and machinery in proportion in which the related depreciation expense is recognised.

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

26 Current borrowings

	For the year ended 31 March 2023	For the year ended 31 March 2022
Loans from banks repayable on demand (secured)*	50.98	133.99
Current maturities of long-term debt (refer note 22)	216.01	274.21
	266.99	**408.20**

* The Company has taken the working capital limits from HDFC Bank Limited which are secured against entire current assets (existing and future) of Noida Unit. The facilities availed from HDFC Bank Limited carries floating rate of interest @ MCLR + 0.30% @ 7.20% per annum (MCLR + 0.30% @ ranging from 6.00% to 7.20% per annum for the year ended 31 March 2022). (Refer Note 15 cash and cash equivalents)

The Company has also taken the working capital limits from ICICI Bank Limited which are secured by first pari passu charge on all moveable and immovable fixed assets (PPE) both current and future of the Rajpura, Phillaur and Tahliwal plant. These loans are further secured by first pari passu charge on current assets both present and future of the Rajpura, Phillaur and Tahliwal plant. The facilities availed from ICICI Bank Limited carries floating rate of interest @ Repo rate + 3.00% spread ranging from 6.00% to 8.37% per annum (Repo rate + 3.00% spread ranging from 6.00% to 7.00% per annum for the year ended 31 March 2022).

The Company has also taken working capital limits from Axis Bank Limited against fixed deposits. The facilities availed from Axis Bank Limited carries floating rate of interest @ FD rate + 0.05-0.10% @ 5.96% per annum (FD rate + 0.05-0.10% ranging from 3.60% to 5.20% per annum for the year ended 31 March 2022).

Name of the lender	Penalty Clause
ICICI Bank Limited	In event of default, bank is either of facility at liberty to recall all the facility extended to the company. 1 % (The rate will be over and deemed to be an event of above the interest rate of the default for all other facility facility) on the limit amount for the delayed period will be charged for the company for the default period.
HDFC Bank Limited	The bank reserves the right to charge an additional 2% per annum interest rate over and above the normal interest rate on the outstanding amount in case of non-submission of renewal documents. Commitment charges @0.50% per annum to be charged on quarterly basis on the entire unutilized portion if average utilization is less than 60%.

27 Trade payables

	For the year ended 31 March 2023	For the year ended 31 March 2022
Trade payables	94.32	75.52
Total outstanding dues of micro enterprises and small enterprises*	634.73	461.16
Total outstanding dues of creditors other than micro enterprises and small enterprises**	**729.05**	**536.68**

Trade payable ageing schedule

As at 31 March 2023	Unbilled	Not Due	< 1 year	1 year to 2 years	2 year to 3 years	> 3 years	Total
Total outstanding dues of micro and small enterprises	-	57.84	36.44	0.04	-	-	94.32
Total outstanding dues of creditors other than micro and small enterprises	231.53	264.60	136.97	0.79	0.20	0.64	634.73
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-	-	-
Total	**231.53**	**322.44**	**173.41**	**0.83**	**0.20**	**0.64**	**729.05**

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

As at 31 March 2022	Unbilled	Not Due	< 1 year	1 year to 2 years	2 year to 3 years	> 3 years	Total
Total outstanding dues of micro and small enterprises	-	47.24	28.28	-	-	-	75.52
Total outstanding dues of creditors other than micro and small enterprises	93.33	226.24	140.49	0.46	0.06	0.58	461.16
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-	-	-
Total	**93.33**	**273.48**	**168.77**	**0.46**	**0.06**	**0.58**	**536.68**

* Refer note 45 for disclosures required under MSMED Act.
**Includes dues to related parties (refer note 47)

28 Other financial liabilities

	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest accrued but not due on borrowings	2.96	2.39
Capital creditors		
Total outstanding dues of micro enterprises and small enterprises*	21.01	8.65
Total outstanding dues of creditors other than micro enterprises and small enterprises	32.54	29.06
Unpaid dividends	0.24	0.13
Security and other trade deposits	54.38	38.68
Payable to subsidiary	3.00	3.00
	114.13	**81.91**

* Refer note 45 for disclosures required under MSMED Act.

29 Other current liabilities

	For the year ended 31 March 2023	For the year ended 31 March 2022
Deferred income		
Government grants (refer note 25)	17.26	20.15
Contract Liability		
Advances from customers #	171.62	48.14
Refund liability#	15.82	10.69
Statutory dues payable	26.37	20.09
Employee payable*	164.24	122.54
	395.31	**221.61**

#The amount of Rs. 58.83 (31 March 2022 : 58.49) included in contract liabilities at 31 March 2022 has been recognised as revenue during the year ended 31 March 2023.
*Includes dues to related parties (refer note 47)

30 Provisions

	For the year ended 31 March 2023	For the year ended 31 March 2022
Provision for employee benefits:		
Compensated absences	7.94	4.17
Gratuity (refer note 46)	23.07	6.72
Others:		
Provision for litigation (refer note (a))	27.74	26.49
	58.75	**37.38**

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

a) Provision for litigation*

	For the year ended 31 March 2023	For the year ended 31 March 2022
Balance at the commencement of the year	26.49	25.14
Add: Provision made during the year	1.41	1.73
Less: Provision utilised/reversed during the year	(0.16)	(0.38)
Balance at the end of the year	**27.74**	**26.49**

*refer note 42A(c) for details of pending litigation.

31 Current tax liabilities (net)

	For the year ended 31 March 2023	For the year ended 31 March 2022
Income tax (net of advance tax)	8.24	0.43
	8.24	**0.43**

32 Revenue from operations

	For the year ended 31 March 2023	For the year ended 31 March 2022
Sale of products	11,745.70	8,393.91
Sale of services		
Job work income*	543.73	490.27
Total (A)	**12,289.43**	**8,884.18**
Other operating revenue		
Export incentives #	133.50	136.26
Income from lease rentals*	68.71	79.61
Sale of scrap	79.76	63.48
Others	71.77	72.27
Total (B)	353.74	351.62
Total revenue from operations (A + B)	**12,643.17**	**9,235.80**

a. Reconciliation of revenue recognized with the contracted price is as follows

	For the year ended 31 March 2023	For the year ended 31 March 2022
Contracted price	13,006.28	9,330.11
Reductions towards variable consideration components (discounts, rebates and others)	716.85	445.93
Revenue recognised	**12,289.43**	**8,884.18**

b. Contract Balances

The contract liabilities primarily relate to the advance consideration received from customers for which revenue is recognized when the performance obligation is over/ sale of goods. Advance collection is recognised when payment is received before the related performance obligation is satisfied. This includes advances received from the customer towards sale of goods. Revenue is recognised once the performance obligation is met i.e. on sale of goods.

	As at 31 March 2023	As at 31 March 2022
Contract liabilities		
- Advances from customers	171.62	48.14
- Refund liability	15.82	10.69
Contract Assets		
- Receivables, which are included in trade receivables	79.66	62.27

Note: Considering the nature of business of the Company, the above contract liabilities are generally materialised as revenue and contract assets are converted into cash/trade receivables within the same operating cycle.

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

c. Timing of revenue recognition

	As at 31 March 2023	As at 31 March 2022
Revenue transferred at point in time	11,745.70	8,393.91
Revenue transferred over time	543.73	490.27
	12,289.43	**8,884.18**

The Company has accrued following export incentives of Rs. 133.50 (31 March 2022 Rs. 136.26).

a) Incentive under Merchandise Exports from India Scheme of Rs. Nil (31 March 2022 Rs. 0.94)

b) Duty Free Import Authorization of Rs. 133.50 (31 March 2022 Rs. 113.79)

c) Incentive under Transport and Market Assistance Scheme of Rs. Nil (31 March 2022 Rs. 21.53)

* Also refer note 44

33 Other income

	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest income from financial assets at amortized cost	37.22	33.45
Interest income from others	0.91	0.88
Net gain on account of foreign exchange fluctuations	51.89	-
Government grants (refer note 25)	19.78	19.70
Net profit on sale/write off of property, plant and equipment	2.93	5.43
Dividend income	-	45.38
Other miscellaneous income*	3.40	1.12
	116.13	**105.96**

* Also refer note 44

34 Cost of materials consumed

	For the year ended 31 March 2023	For the year ended 31 March 2022
Raw materials (including purchased components and packing material consumed)		
Opening inventories	475.53	265.23
Add: Purchases (net)	6,824.34	5,240.64
Less: Closing inventories	421.24	475.53
	6,878.63	**5,030.34**

35 Purchase of stock-in-trade

	For the year ended 31 March 2023	For the year ended 31 March 2022
Purchase of stock-in-trade	230.42	156.13
	230.42	**156.13**

36 Changes in inventories of finished goods, stock-in- trade and work-in-progress

	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening inventories		
Finished goods	262.84	259.29
Work-in-progress	1.46	1.41
Total (A)	**264.30**	**260.70**

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

	For the year ended 31 March 2023	For the year ended 31 March 2022
Closing inventories		
Finished goods	337.70	262.84
Work-in-progress	0.84	1.46
Total (B)	**338.54**	**264.30**
Total (A-B)	**(74.24)**	**(3.60)**

37 Employee benefits expense

	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries and wages	1,417.07	1,194.64
Contribution to provident and other funds (refer note 46)	66.84	63.96
Share-based payment to employees (refer note 48)	(0.13)	0.43
Staff welfare expenses	34.49	29.01
	1,518.27	**1,288.04**

38 Finance costs *

	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest expense on financial liabilities measured at amortised cost :		
Loan from banks	78.81	57.47
Lease liabilities (refer note 5)	4.24	3.06
Others	45.90	10.06
	128.95	**70.59**

* Also refer note 4.

39 Depreciation and amortisation expense

	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation on property, plant and equipment	475.21	415.37
Depreciation on right-of-use-assets (refer note 5)	15.56	11.86
Amortisation on other intangible assets	0.46	0.31
	491.23	**427.54**

* Also refer note 4.

40 Other expenses

	For the year ended 31 March 2023	For the year ended 31 March 2022
Rent (refer note 5 and note 44)	25.80	21.71
Rates and taxes #	20.79	10.10
Power and fuel #	602.98	439.16
Repair and maintenance:		
Plant and machinery	62.08	51.40
Buildings	5.61	10.40
Others	7.91	6.88
Job work charges	20.39	-
Travelling and conveyance #	131.83	78.36

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

	For the year ended 31 March 2023	For the year ended 31 March 2022
Payment to auditor (refer note (a) below)	8.42	6.67
Legal and professional fees #	29.53	21.29
Printing and stationery	5.11	3.93
Advertisement and sales promotion	218.71	73.36
Consumption of stores and spare parts	50.42	47.33
Commission and brokerage #	6.20	6.63
Communication costs	10.66	9.37
Directors' remuneration and sitting fees	95.68	69.20
Freight and forwarding	1,163.85	761.31
Insurance #	25.43	24.59
Allowances on trade receivable and other advances	7.68	0.32
Bank charges #	3.38	2.95
Expenditure on Corporate social responsibility (refer note 52)	13.43	12.42
Miscellaneous expenses #	50.14	22.06
	2,566.03	**1,679.44**
(a) Payment to auditors		
As auditor		
Statutory audit	5.38	4.48
Limited review	1.72	1.72
Certification	0.70	0.15
Reimbursement of expenses	0.62	0.32
	8.42	**6.67**

41 Earning per share (EPS)

		For the year ended 31 March 2023	For the year ended 31 March 2022
A.	**Basic earnings per share**		
i.	Profit for basic earning per share of Rs. 10 each		
	Profit for the year	762.53	534.93
ii.	Weighted average number of equity shares for (basic)		
	Balance at the beginning of the year	58.82	58.75
	Effect of issue of shares	-	-
	Effect of issue of ESOP shares	0.00	0.05
		58.82	**58.80**
	Basic Earnings per share (face value of Rs 10 each)	12.96	9.10
B.	**Diluted earnings per share**		
i.	Profit for diluted earning per share of Rs. 10 each		
	Profit for the year	762.53	534.93
ii.	Weighted average number of equity shares for (diluted)		
	Balance at the beginning of the year	58.82	58.75
	Effect of issue of shares	-	-
	Effect of issue of ESOP shares	0.00	0.05
	Effect of employee stock options	-	0.00
		58.82	**58.80**
	Diluted Earnings per share (face value of Rs. 10 each)	12.96	9.10

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

42 Contingent liabilities, contingent assets and commitments

A. Contingent Liabilities

On the basis of current status of below-mentioned individual cases and as per legal advice obtained by the Company, wherever applicable, the Company is confident that the outcome in the below cases would be in the favour of the Company and is of view that no provision is required in respect of these cases.

		As at 31 March 2023	As at 31 March 2022
a.	Claims against the Company not acknowledged as debts (The Company expects a favorable outcome against all the cases):		
	I) Income Tax related matters	**38.10**	**38.10**
	i) Relating to Income tax demand on certain disallowance for AY 2010-11*	**0.00**	0.00
	ii) Relating to Income tax demand on certain disallowance for AY 2011-12	**0.13**	0.13
	iii) Relating to Income tax demand on certain disallowance for AY 2013-14	**1.83**	1.83
	iv) Relating to Income tax demand on certain disallowance for AY 2015-16	**0.18**	0.18
	v) Relating to Income tax demand on certain disallowance for AY 2017-18	**28.89**	28.89
	vi) Relating to Income tax demand on certain disallowance for AY 2018-19	**7.07**	7.07
*The total amount of income tax demand in absolute value is Rs. 4,238, but for reporting purpose rounded upto Rs. 0.00 million.			
	II) Sales tax related matters		
	i) Sales Tax demand for assessment year 2005-06 on account of Input Tax Credit not reversed against branch transfer and benefit of deferred payment of tax on CST sales in the state of Himachal Pradesh	**3.01**	3.01
	ii) Sales Tax demand for assessment year 2006-07 on account of Input Tax Credit not reversed against branch transfer and benefit of deferred payment of tax on CST sales in the state of Himachal Pradesh	**4.83**	4.83
	III) Civil matters		
	i) Stamp duty case for the plot taken on 99 years lease in Noida	**9.10**	9.10
b)	**Others**		
	Differential amount of Customs Duty payable by the Company in case of non fulfilment of export obligation against the import of capital goods made at concessional rate of duty. Based on the past sales performance and the future sales plan, management is quite hopeful to meet out the obligations by executing the required volume of exports in future.	**5.57**	11.13
	Customs Duty saved against Bonded Manufacturing Scheme (MOOWR scheme) on import of capital goods. The Company has submitted bonds to government of Rs. 308.90 million (previous year - Rs. 308.90 million) which represents three times of duty saved. Duty will be payable in case of domestic sale of capital goods. Based on Company's assessment of use of capital goods, management is quite hopeful that liability will not arise for the same.	**102.83**	102.83
	Impact of bonus due to restrospective amendment in the Payment of Bonus Act, 1965 for the financial year 2014-15 since matter is sub-judice in similar case.	**10.27**	10.27

The Company had entered into lease agreement with M.P Audyogik Kendra Vikas Nigam Indore Ltd (authorities) on 12 Feb 2018 for lease of land in Industrial Park, District Dhar (M.P), possession for which was received by the Company on 21 March 2018. As per MP Industrial Development Corporation Limited "MPIDC" policy, commercial production was required to be started within four years from the date of possession. Due to Covid 19 and major economic disruption, the Company had initially filed an extension letter on 10 February 2022 stating its intention to commence commercial production from 1 April 2024. Subsequent to the year end and basis discussion the MPIDC officials, Company has filed a fresh extension letter on 24 May 2022 wherein it has now proposed to commence construction of the boundary wall in August 2022 and to commence commercial production from December 2023. The Board of Directors in its meeting held on 28 May 2022 have approved the aforesaid revised plan for construction of the manufacturing facility. During the current year, the Company has filed a common application form with MPIDC which included details of proposed investment and proposed date of operation as 30 April 2024 which has been accepted by MPIDC vide its letter dated 18 October 2022 basis which the construction work has commenced.

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

The Company had deposited Rs. 3.00 under protest as a result of search proceeding performed by Superintendent CGST, Gautam Budh Nagar in which it was alleged that Kulcha and Buns should be subject to Goods and Services Tax. The Company has taken a legal opinion basis which it does not expect any liability to arise in this matter and will be making application for refund of amount paid under protest in near term.

c. Other pending litigations

(a) The Company had obtained a stay against Punjab VAT Act levying entry tax on Furnace Oil on the basis of High Court judgment delivered on the same point in an another case which is pending before Supreme Court. The estimated amount of tax and interest thereon upto 31 March 2023 of Rs. 5.13 (31 March 2022 Rs. 4.83) (including interest of Rs. 3.74 (31 March 2022 Rs. 3.44)) has been provided in the books of accounts.

(b) A demand of Rs. 2.37 and Rs. 3.75 related with FY 2008-09 and FY 2009-10 respectively is pending with DETC, Ludhiana. The matter is related with input tax credit claimed by assessee on purchase of HSD. The Company has demanded to start the proceeding without depositing the 25% of amount demanded. The department rejected the appeal of the Company. The Company filed the writ petition in High Court which accepted the contention of assessee & remanded the case back to DETC, Ludhiana. The Company had created the provision in books for amount demanded and has also accrued the interest @ 1.5% per month. Therefore the provision for an amount of Rs. 6.63 (31 March 2022 Rs. 6.20) and Rs. 11.13 (31 March 2022 Rs. 10.45) includes an interest of Rs. 4.26 (31 March 2022 Rs. 3.83) and Rs. 7.38 (31 March 2022 Rs. 6.70) respectively.

(c) A demand of Rs. 1.91 (31 March 2022 Rs. 1.91), 1.60 (31 March 2022 Rs. 1.60), 0.09 (31 March 2022 Rs. 0.09) and 0.16 (31 March 2022 Rs. 0.16) for assessment year 2013-14, 2014-15, 2016-17 and 2017-18 respectively on account of pending C forms and F forms raised by Deputy Commissioner, Gautam Budh Nagar Noida, Uttar Pradesh pending to be deposited with the sales tax department has been provided for in the books of accounts.

(d) A demand of Rs. 0.12 (31 March 2022 Rs. 0.12), 0.82 (31 March 2022 Rs. 0.82) and 0.15 (31 March 2022 Rs. 0.15) for assessment year 2011-12, 2012-13 and 2013-14 respectively on account of pending C forms and F forms raised by VAT Officer, Delhi pending to be deposited with the sales tax department has been provided for in the books of accounts.

d. Pursuant to recent judgement by the Hon'ble Supreme Court dated 28 February 2019, it was held that basic wages, for the purpose of provident fund, to include special allowances which are common for all employees. However, there is uncertainty with respect to the applicability of the judgement and year from which the same applies. The Company has assessed that there was no impact of the same for current year since providend fund was already deducted on such special allowance for current year. Owing to the aforesaid uncertainty and pending clarification from the authorities in this regard, the Company had not recognised any provision for the years prior to 28 February 2019. Further, management also believes that the impact of the same on the Company will not be material.

B. Contingent Assets

The Company does not have any contingent asset as on 31 March 2023 (Rs. 35.07 as on 31 March 2022).

C. Commitments

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for Rs. 243.37 (as on 31 March 2022 Rs. 124.12).

43 Segment reporting

Basis for segmentation

Segment information is presented in respect of the Company's key operating segments. The operating segments are based on the Company's management and internal reporting structure.

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

Operating Segments

The Company's Board of directors have been identified as the Chief Operating Decision Maker ('CODM'), since they are responsible for all major decisions with respect to the preparation and execution of business plan, preparation of budget, planning, alliance, merger and acquisition, and expansion of any new facility.

In the opinion of the Board, there is only one reportable segment ("Revenue from food products"). Accordingly, no separate disclosure for segment reporting is required to be made in the financial statements of the Company.

Entity wide disclosures

A. Information about products and services

i) Revenue comprises :	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from food products*	12,289.43	8,884.18
Total	**12,289.43**	**8,884.18**

*excludes other operating revenues.

B. Information about geographical areas

The geographical information analyses the Company's revenues by the Company's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographic location of customers. The following is the distribution of the Company's revenues and receivables by geographical market, regardless of where the goods were produced:

i) Revenue from external customers:	For the year ended 31 March 2023	For the year ended 31 March 2022
Within India	8,696.17	6,504.97
Outside India	3,593.26	2,379.21
Total	**12,289.43**	**8,884.18**

ii) Receivables	For the year ended 31 March 2023	For the year ended 31 March 2022
Within India	540.78	437.97
Outside India	312.52	273.49
Total	**853.30**	**711.46**

iii) Non-current assets

The Company has common non-current assets for producing goods/ providing services to domestic and overseas markets. Hence, separate figures for other assets/ additions to property, plant and equipment have not been furnished.

C. Information about major customers (from external customers)

During the year ended 31 March 2023, Company does not have transactions with any single external customer having 10% or more of its revenue. (Rs. Nil for the year ended 31 March 2022).

D. Disaggregation of revenue

In the following table, revenue is disaggregated by major products/service lines and timing of revenue recognition.

Contract	For the year ended 31 March 2023	For the year ended 31 March 2022
6 months or Less	12,289.43	8,884.18
Total	**12,289.43**	**8,884.18**
Major product/ service line		
Sale of products	11,745.70	8,393.91

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

Contract	For the year ended 31 March 2023	For the year ended 31 March 2022
Sale of services		
Job work income	543.73	490.27
Total revenue	**12,289.43**	**8,884.18**

E. Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers

Duration	For the year ended 31 March 2023	For the year ended 31 March 2022
Receivables, which are included in trade receivables	79.66	62.27
Contract liabilities	171.62	48.14
Refund liability	15.82	10.69

44 Leases

A. Leases as lessee

a) The Company has taken various residential, office, warehouse and shop premises under lease agreements.

b) The aggregate lease rentals payable are disclosed in note 5 and note 40.

i. Leases as lessor

Operating leases

The Company has leased out a part of its building, plant and machinery under a job work arrangement. In addition, certain office premises have also been leased out. All these arrangements are under short term cancelable operating leases of less than 12 months.

Amounts recognised in profit or loss

During the year ended 31 March 2023, lease rentals of Rs. 68.84 (31 March 2022: Rs. 79.74) have been included in other operating revenue / other income (refer note 32 and 33). There is a contingency attached to the future lease income and are therefore can not be ascertained.

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Income generated from lease of building, plant and machinery under job work arrangement	68.71	79.61
Income generated from office premises lease	0.13	0.13

45 The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondences with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of amounts payable to such enterprises as at the year end has been made in the financial statements based on information available with the Company as under:

	As at 31 March 2023	As at 31 March 2022
Principal amount remaining unpaid to any supplier as at the end of the year		
Trade payables	93.31	74.67
Capital creditors	16.37	4.45
Interest due thereon remaining unpaid to any supplier as at the end of the year		
Trade payables	1.01	0.85
Capital creditors	4.64	4.20

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
The amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
The amount of interest accrued and remaining unpaid at the end of the year		
Trade payables	1.01	0.85
Capital creditors	4.64	4.20
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.		
Trade payables	1.01	0.85
Capital creditors	4.64	4.20

46 Employee benefits

The Company contributes to the following post-employment defined benefit plans.

(i) Defined Contribution Plans:

Provident fund

The Company makes contribution towards provident fund for employees. The Company's contribution to the Employees Provident Fund is deposited to the government under the Employees Provident Fund and Miscellaneous Provisions Act, 1952.The contribution payable to the plan by the Company is at the rate specified under the Employees Provident Fund and Miscellaneous Provisions Act, 1952.

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss (included in note 37- Employee benefits expense):

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Contribution to provident fund	57.42	53.88

(ii) Defined benefit plan:

Gratuity

The Company operates a post-employment defined benefit plan for Gratuity. This plan entitles an employee to receive half month's salary for each year of completed service at the time of retirement/exit. This scheme is funded by the plan assets.

The employee's gratuity fund scheme is managed by Life Insurance Corporation of India and State Bank of India Life Insurance. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of 6 months subject to no ceiling. Vesting occurs upon completion of 5 years of service. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognize each year of service as giving rise to additional employee benefit entitlement and measures each unit separately to build up the final obligation.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at 31 March 2023 and 31 March 2022. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

A. Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

	As at 31 March 2023	As at 31 March 2022
Net defined benefit liability		
Liability for gratuity	50.83	49.61
Total employee benefit liability	**50.83**	**49.61**
Non-current	27.76	42.89
Current	23.07	6.72

B. Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (assets)/ liability and its components:

Particulars	For the year ended 31 March 2023		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability
Balance as at 1 April 2022	117.71	68.10	49.61
Included in Profit or Loss			
Current service cost	15.56	-	15.56
Interest cost (income)	8.50	4.92	3.58
Past service cost	-	-	-
	24.06	**4.92**	**19.14**
Included in OCI			
Remeasurement loss (gain)			
- financial assumptions	(2.03)	(0.22)	(1.81)
- demographic adjustments	(0.25)	-	(0.25)
- experience adjustment	2.83	-	2.83
	0.55	**(0.22)**	**0.77**
Other			
Return			
Contributions paid by the employer	-	5.37	(5.37)
Benefits paid	(13.50)	(0.18)	(13.32)
	(13.50)	**5.19**	**(18.69)**
Balance as at 31 March 2023	**128.82**	**77.99**	**50.83**

Particulars	For the year ended 31 March 2022		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability
Balance as at 1 April 2021	112.69	60.38	52.31
Included in Profit or Loss			
Current service cost	16.65	-	16.65
Interest cost (income)	7.66	4.11	3.55
Past service cost	-	-	-
	24.31	**4.11**	**20.20**
Included in OCI			
Remeasurement loss (gain)			
- financial assumptions	(5.96)	(0.95)	(5.01)
- demographic adjustments	-	-	-
- experience adjustment	(5.48)	-	(5.48)
	(11.44)	**(0.95)**	**(10.49)**

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

Particulars	For the year ended 31 March 2022		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability
Other			
Return			
Contributions paid by the employer	-	5.40	(5.40)
Benefits paid	(7.85)	(0.84)	(7.01)
Balance as at 31 March 2022	117.71	68.10	49.61

C. Plan assets

Plan assets comprise of the following	As at 31 March 2023	As at 31 March 2022
Investments with Life insurance corporation	86.73%	85.85%
Investments with SBI life insurance	13.27%	14.15%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion, business plan, HR policy and other relevant factors on long term basis as provided in relevant accounting standard.

The overall expected rate of return on assets is determined based on the actual rate of return during the current year.

On an annual basis, an asset-liability matching study is done by the Company whereby the Company contributes the net increase in the actuarial liability to the plan manager in order to manage the liability risk.

D. Actuarial assumptions

a) Economic assumptions

The following were the principal actuarial assumptions at the reporting date. The discount rate is generally based upon the market yields available on Government bonds at the accounting date relevant to currency of benefit payments for a term that matches the liabilities. Salary growth rate is company's long term best estimate as to salary increases & takes account of inflation, seniority, promotion, business plan, HR policy and other relevant factors on long term basis as provided in relevant accounting standard. These valuation assumptions are as follows:-

	As at 31 March 2023	As at 31 March 2022
Discount rate	7.36%	7.22%
Expected rate of future salary increase	7.00%	7.00%

b) Demographic assumptions

Attrition rates are the company's best estimate of employee turnover in future determined considering factors such as nature of business & industry, retention policy, demand & supply in employment market, standing of the company , business plan, HR Policy etc. as provided in the relevant accounting standard. Attrition rates as given below have been received as input from the company.

Plan assets comprise of the following		As at 31 March 2023	As at 31 March 2022
i)	Retirement age (years)	60	60
ii)	Mortality rates inclusive of provision for disability	100% of IALM (2012 - 14)	
iii)	Attrition at Ages	Withdrawal rate (%)	Withdrawal rate (%)
	Upto 30 years	20.00%	3.00%
	From 31 to 44 years	15.00%	2.00%
	Above 44 years	13.00%	1.00%

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

E. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	As at 31 March 2023		As at31 March 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)	(3.00)	3.15	(6.72)	7.37
Expected rate of future salary increase (0.50% movement)	3.01	(2.90)	7.15	(6.59)

Sensitivities due to mortality and withdrawals are not material and hence impact of change has not been calculated.

Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable.

F. Expected maturity analysis of the defined benefit plans in future years

Particulars	As at 31 March 2023	As at 31 March 2022
Duration of defined benefit payments		
Less than 1 year	23.07	6.72
Between 1-2 years	15.41	4.37
Between 2-5 years	37.92	13.93
Over 5 years	52.42	92.69
Total	**128.82**	**117.71**

The weighted average duration of the defined benefit plan obligation at the end of the reporting year is 5.63 years (31 March 2022: 17.42 years).

Expected contribution to post-employment benefit plans in the next year is Rs 21.75 (31 March 2022: Rs. 24.77).

G. Description of Risk Exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow-

a) **Salary Increases-** Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

b) **Investment Risk –** If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

c) **Discount Rate:** Reduction in discount rate in subsequent valuations can increase the plan's liability.

d) **Mortality & disability –** Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

e) **Withdrawals –** Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

(iii) Other long-term employee benefits:

The Company provides for compensated absences to its employees. The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service years or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the year in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such year, the benefit is classified as a long-term employee benefit. During the year ended 31 March 2023, the Company has incurred an expense on compensated absences amounting to Rs. 12.25 (31 March 2022 Rs. 5.91). The Company determines the expense for compensated absences basis the actuarial valuation of the present value of the obligation, using the Projected Unit Credit Method.

Notes to Standalone Financial Statements

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47 Related parties

A. Related parties and nature of relationship where control exists:

Subsidiaries

Bakebest Foods Private Limited

Mrs. Bectors English Oven Limited

Mrs. Bectors Food International (FZE) - w.e.f. 14 September 2021

Associate

Cremica Agro Foods Limited

CSR Trust

Mrs. Bector Foundation

B. Key Managerial Personnel (KMP)

Anoop Bector	Managing Director
Ishaan Bector	Director
Suvir Bector	Director w.e.f. 1 April 2021
Manu Talwar	CEO w.e.f. 2 May 2022
Parveen Kumar Goel	Executive Director and CFO
Subhash Agarwal	Independent Director till 9 February 2023
Rajeev Dewan	Independent Director
Rahul Goswamy	Nominee Director till 5 October 2021
Pooja Luthra	Independent Director
Alok Kumar Misra	Independent Director w.e.f. 11 February 2022
Ashish Agarwal	Independent Director w.e.f. 10 February 2023
Atul Sud	Company Secretary

C. Relatives of key management personnel having transactions with the Company

Relation	Anoop Bector	Ishaan Bector	Suvir Bector
Father	Dharamvir Bector *	Anoop Bector	Anoop Bector
Mother	Rajni Bector	Rashmi Bector	Rashmi Bector
Spouse	Rashmi Bector	Neha Gupta Bector	Mannat Jain Bector
Brother	Akshay Bector #	Suvir Bector	Ishaan Bector
	Ajay Bector #		
Son	Ishaan Bector	-	-
	Suvir Bector	-	-

* Deceased on 26 December 2017.

Ceased to be related party w.e.f 8 December 2015 and 25 December 2014 respectively

D. Related entities of KMP

Partnership firms

Sunshine Foods

Notes to Standalone Financial Statements

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(All amounts are in rupees million, unless otherwise stated)

Public/Private Limited Companies

Mrs. Bectors Cremica Dairies Private Limited

Hindu Undivided Family

Dharamvir and Sons (HUF)

Anoop Bector (HUF)

Parveen Goel (HUF)

Trust

Anoop Bector (AB Family Trust)

Ishaan Bector (IB Family Trust)

Suvir Bector (SB Family Trust)

E. Key management personnel compensation

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Short-term employee benefits	125.32	79.82
Post-employment defined benefit	2.25	0.71
Director sitting fees	0.58	0.40
Total compensation	**128.15**	**80.93**

F. Transactions with related parties*

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over those entities. A number of these entities transacted with the Company during the reporting year. The terms and conditions of the transactions with key management personnel and their related parties were no more favorable than those available, or those which might reasonably be expected to be available, in respect of similar transactions with non-key management personnel related entities on an arm's length basis. The aggregate value of the Company's transactions relating to key management personnel and entities over which they have control or significant influence is as follows:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Purchase of goods		
- Bakebest Foods Private Limited	0.29	0.28
Sale of goods		
- Bakebest Foods Private Limited	0.43	-
- Mrs. Bectors English Oven Limited	0.59	-
Purchase of property, plant and equipment		
- Bakebest Foods Private Limited	-	0.69
Sale of property, plant and equipment		
- Bakebest Foods Private Limited	-	3.18
Shares allotted under employee stock option scheme		
- Parveen Kumar Goel	-	0.73
Others		
Rent paid		
- Anoop Bector	4.62	4.62
- Anoop Bector HUF	1.25	3.00
- Bakebest Foods Private Limited	0.06	0.06

Notes to Standalone Financial Statements

for the year ended 31 March 2023

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Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Consultancy charges paid		
- Subhash Agarwal	0.22	-
Rent received		
- Bakebest Foods Private Limited	0.06	0.06
- Mrs. Bectors English Oven Limited	0.01	0.01
- Cremica Agro Foods Limited	0.06	0.06
Contribution to provident and other funds		
- Rashmi Bector	1.25	1.04
- Neha Gupta Bector	0.65	0.32
- Mannat Jain Bector	0.32	0.04
- Atul Sud	0.02	0.02
Dividend paid		
- Anoop Bector	31.38	45.81
- Anoop Bector HUF	5.01	7.32
- Ishaan Bector	0.01	0.00
- Rashmi Bector	0.00	0.00
- Suvir Bector	0.01	0.00
- Anoop Bector (AB Family Trust)	14.96	21.74
- Ishaan Bector (IB Family Trust)	11.91	17.39
- Suvir Bector (SB Family Trust)	11.91	17.39
- Parveen Kumar Goel	0.04	0.06
- Ashish Agarwal	0.00	-
Dividend received		
- Bakebest Foods Private Limited	-	45.38
Amount paid for CSR expenditure		
- Mrs. Bector Foundation	-	10.11
Salary paid		
- Rashmi Bector	15.24	9.24
- Neha Gupta Bector	5.40	5.40
- Mannat Jain Bector	2.68	0.37
- Atul Sud	1.25	1.19

* Transactions are net off goods and services tax wherever applicable.

G. Related party balances as at the year end:

Outstanding balances	As at 31 March 2023	As at 31 March 2022
Trade and other payables		
- Anoop Bector	2.29	1.26
- Anoop Bector HUF	-	0.90
- Ishaan Bector	1.47	0.80
- Parveen Kumar Goel	0.41	0.60
- Mannat Jain Bector	0.28	0.20
- Rashmi Bector	1.09	0.51
- Neha Gupta Bector	0.27	0.20
- Suvir Bector	1.10	0.58
- Subhash Agarwal	-	0.02
- Ashish Agarwal	0.02	-
- Rajeev Dewan	0.02	0.02

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for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

Outstanding balances	As at 31 March 2023	As at 31 March 2022
- Alok Kumar Misra	0.02	-
- Pooja Luthra	0.02	0.02
- Manu Talwar	0.40	-
- Atul Sud	0.09	0.07
- Mrs. Bectors Food International (FZE)	3.00	3.00
Advances, trade and other receivables		
- Bakebest Foods Private Limited	0.09	-
- Mrs. Bectors English Oven Limited	0.22	-
- Mrs. Bectors Food International (FZE)	2.18	-
Non current investments		
- Bakebest Foods Private Limited	181.50	181.50
- Mrs. Bectors English Oven Limited	10.00	0.50
- Mrs. Bectors Food International (FZE)	3.00	3.00
- Cremica Agro Foods Limited	17.09	17.09

In the opinion of the management, all transactions were made on normal commercial terms and conditions and at arm's length price.

48 Share-based payment to employees

A. Description of share-based based payment to employees

i. Share option programme (equity-settled)

On 31 March 2017, the Company established share option programme that entitle certain employees of the Company to purchase shares in the Company. Under these plans, holders of vested options are entitled to purchase shares at the exercise price of the shares at respective date of grant of options. The key terms and conditions related to the grants under these plans are as follows; all options are to be settled by the delivery of shares.

ESOP schemes	Grant Date	No. of Options	Exercise Price	Vesting year	Vesting conditions
Employees Stock Option Plan - 2017 (Grant 1)	30-Jun-2017	42,951	349.24	2 years and 9 months service from grant date	Service conditions
Employees Stock Option Plan - 2017 (Grant 2)	30-Jun-2017	27,920	349.24	3 years and 9 months service from grant date	Service conditions

On 14 July 2017, the Company modified share option programme by entitling grant holders of the Company for bonus shares in the Company in the ratio of 1:1.

ESOP schemes	Grant Date	No. of Options	Exercise Price	Vesting year	Vesting conditions
Employees Stock Option Plan - 2017 (Grant 1)	30-Jun-2017	85,902	174.62	2 years and 9 months service from grant date	Service conditions
Employees Stock Option Plan - 2017 (Grant 2)	30-Jun-2017	55,840	174.62	3 years and 9 months service from grant date	Service conditions

ESOP schemes	Grant Date	No. of Options	Exercise Price	Vesting year	Vesting conditions
Employees Stock Option Plan - 2017 (Grant 3)	1-Oct-2018	34,359	174.62	2 years and 6 months service from grant date	Service conditions

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ESOP schemes	Grant Date	No. of Options	Exercise Price	Vesting year	Vesting conditions
Employees Stock Option Plan - 2017 (Grant 4)	19-Sep-2020	11,454	174.62	1 year and 8 months service from grant date	Service conditions

B. Measurement of fair values

i. Equity-settled share-based based payment to employees

The fair value of options and the inputs used in the measurement of the grant date fair values of the equity-settled share based payment plans are as follows:

	Employees Stock Option Plan - 2017 (Grant 1)	Employees Stock Option Plan - 2017 (Grant 2)	Employees Stock Option Plan - 2017 (Grant 3)	Employees Stock Option Plan - 2017 (Grant 4)
Fair value of options at grant date	124.01	143.94	75.12	71.62
Enterprise value per share ar grant date	347.08	347.08	190.00	203.55
Exercise price at the grant date	349.24	349.24	174.62	174.62
Exercise price after bonus issue	174.62	174.62	174.62	174.62
Expected volatility (weighted-average)	34.11%	34.56%	27.12%	51.49%
Expected life (weighted-average)	2 years	3 years	2 years	2 years
Expected dividends	0.27%	0.27%	0.00%	0.37%
Risk-free interest rate (based on government bonds)	6.36%	6.44%	8.02%	4.48%

Note

1. The fair value of options has been done by an independent merchant banker on the date of grant using the Black-Scholes Model.
2. Expected volatility has been based on an evaluation of the historical volatility of the Company's share price, particularly over the historical period commensurate with the expected term.

C. Reconciliation of outstanding share options

The number and weighted-average exercise prices of share options under the share option programme were as follows:

	Number of options	Weighted average exercise price	Number of options	"Weighted average exercise price"
	31 March 2023	31 March 2023	31 March 2022	31 March 2022
Employees Stock Option Plan-2017				
Options outstanding at the beginning of the year	4,060	174.62	72,871	174.62
Less: Options forfeited during the year	1,911	-	-	-
Less: Options exercised during the year	2,149	174.62	68,811	174.62
Options outstanding at the end of the year	-	-	4,060	174.62
Exercisable at the end of the year	-	-	3	174.62

D. Expense recognised in statement of profit and loss

For details of the employee benefit expenses, refer note 37.

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(All amounts are in rupees million, unless otherwise stated)

49 Financial instruments – Fair values and risk management

I. Accounting classifications and fair values

A. Financial instruments by categories :

	As at 31 March 2023		As at 31 March 2022	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial assets				
Other non-current financial assets	-	279.17	-	37.12
Investments	4.80	280.54	2.60	266.96
Trade receivables	-	853.30	-	711.46
Cash and cash equivalents	-	81.96	-	313.73
Bank balances other than cash and cash equivalents	-	568.83	-	470.59
Current loans	-	4.41	-	4.67
Other current financial assets	6.85	134.82	9.40	168.98
	11.65	**2,203.03**	**12.00**	**1,973.51**
Financial liabilities				
Non-current borrowings	-	939.91	-	880.28
Short term borrowings	-	266.99	-	408.20
Non-current lease liabilities	-	51.39	-	58.76
Current lease liabilities	-	11.72	-	11.19
Trade payables	-	729.05	-	536.68
Other financial liabilities	-	114.13	-	81.91
	-	**2,113.19**	**-**	**1,977.02**

B. Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:

(a) recognised and measured at fair value and

(b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the Indian Accounting Standard 113. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - fair value measurements

Particulars	As at 31 March 2023			
	Level 1	Level 2	Level 3	Total
Derivatives				
Forward exchange contracts used for hedging	-	5.42	-	5.42
Derivative contract for purchase of wheat not designated as hedges	-	1.43	-	1.43

Particulars	As at 31 March 2022			
	Level 1	Level 2	Level 3	Total
Derivatives				
Forward exchange contracts used for hedging	-	9.40	-	9.40

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices/ NAV published.

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Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

There are no transfers between level 1 and level 2 during the year.

Fair value of borrowings is as follows :

	Level	Fair value		Amortised cost	
		As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Non-current borrowings (including current maturities)*	3	1,145.93	1,115.96	1,158.56	1,156.88

*The fair value of borrowings is based upon a discounted cash flow analysis that used the aggregate cash flows from principal and finance costs over the life of the debt and current market interest rates.

Valuation process

The finance department of the Company performs the valuations of financial assets and liabilities required for financial reporting purposes for level 3 fair values. The Company relies on them for instruments measured using level 1 valuation. The Company using quoted price/ NAV's published, for the derivative instruments measured using level fair values, the Company obtains the valuation from the bank from whom the derivatives are taken.

The commodity forward contracts (i.e. Derivative contract for purchase of wheat) are valued using valuation techniques, which employs the use of market observable inputs. The Company obtains the valuation from the relevant vendor from whom the derivatives are taken.

This team reports directly to the Chief financial officer (CFO). Discussions of valuation processes and results are held between the CFO and the finance team at least once every year in line with the Company's reporting year.

Changes in level 2 and 3 fair values are analysed at the end of each reporting year.

C. Fair value of financial assets and liabilities measured at amortised cost

	As at 31 March 2023		As at 31 March 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Other non-current financial assets	279.17	279.17	37.12	37.12
Investments	280.54	280.54	266.96	266.96
Trade receivables	853.30	853.30	711.46	711.46
Cash and cash equivalents	81.96	81.96	313.73	313.73
Bank balances other than cash and cash equivalents	568.83	568.83	470.59	470.59
Current loans	4.41	4.41	4.67	4.67
Other current financial assets	134.82	134.82	168.98	168.98
	2,203.03	**2,203.03**	**1,973.51**	**1,973.51**

	As at 31 March 2023		As at 31 March 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial liabilities				
Non current borrowings	939.91	939.91	880.28	880.28
Short term borrowings	266.99	266.99	408.20	408.20

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for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

	As at 31 March 2023		As at 31 March 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
Total financial liabilities	51.39	51.39	58.76	58.76
Current lease liabilities	11.72	11.72	11.19	11.19
Trade payables	729.05	729.05	536.68	536.68
Other current financial liabilities	114.13	114.13	81.91	81.91
	2,113.19	2,113.19	1,977.02	1,977.02

The carrying amounts of trade receivables, cash and cash equivalents, other bank balances, current loans, other current financial assets, short-term borrowings, trade payables, other current financial liabilities are considered to be the same as their fair values, due to their short-term nature. Non-current borrowings represents approximate to the fair values. Accordingly, the same has not been discounted.

The fair values for security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit.

II. Financial risk management

Risk management framework

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's internal auditor oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the management.

The Company has exposure to the following risks arising from financial instruments:

- credit risk;
- liquidity risk; and
- market risk

The Company's activities expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the company, derivative financial instruments, such as foreign exchange forward contracts are entered to hedge certain foreign currency risk exposures, commodity price derivatives to hedge certain commodity price exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

i. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the Company. Credit risk arises principally from trade receivables, derivative financial instruments, loans and advances, cash and cash equivalents and deposits with banks.

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

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(All amounts are in rupees million, unless otherwise stated)

The Company establishes an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables. An impairment analysis is performed at each reporting date.

The risk management committee has established a credit policy under which each new customer is analysed individually for credit worthiness before the standard payments and delivery terms & conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the appropriate authority as per policy. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are a institutional, dealers or end-user customer, their geographic location, industry, trade history with the Company and existence of previous financial difficulties.

A default on a financial asset is when counterparty fails to make payments within 90 days when they fall due.

The Company based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Company estimates its allowance for trade receivable using expected credit loss. Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

Cash and cash equivalents and deposits with banks

Cash and cash equivalents of the Company are held with banks which have high credit rating. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

Security deposits

The Company furnished security deposits to its lessors for obtaining the premises on lease and margin money deposits to banks. The Company considers that its deposits have low credit risk or negligible risk of default as the parties are well established entities and have strong capacity to meet the obligations. Also, where the Company expects that there is an uncertainty in the recovery of deposit, it provides for suitable impairment on the same.

Loss allowance as per expected credit loss

Particulars	As at 31 March 2023	As at 31 March 2022
Financial assets for which loss allowance is measured using Expected Credit Losses		
Trade receivables	903.52	775.19
Export incentives receivables	120.90	133.43

Reconciliation of loss allowance provision

Particulars	As at 31 March 2023	As at 31 March 2022
Loss Allowance on 1 April 2021	84.80	84.80
Change in loss allowance	(21.07)	(21.07)
Loss Allowance on 31 March 2022	**63.73**	**63.73**
Change in loss allowance	(13.51)	(13.51)
Loss Allowance on 31 March 2023	**50.22**	**50.22**

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ii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the cash flow generated from operations to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the operating companies of the Company in accordance with practice and limits set by the Company. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

In addition, the Company maintains the following line of credit:-

Name of Bank	Loan Sanctioned	Amount of limits sanctioned	Outstanding as on 31 March 2023	Unutilized
HDFC Bank Limited	Cash Credit	100.00	-	100.00
	Bank Overdraft	100.00	-	100.00
ICICI Bank Limited	WC Fund Based	400.00	50.98	349.02
	WC Non-Fund Based	100.00	-	100.00
Punjab National Bank	Term Loan	470.00	211.42	258.58
Total		**1,170.00**	**262.40**	**907.60**

Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and exclude contractual interest payments and exclude the impact of netting agreements.

	Carrying amount		Contractual cash flows		
	As at 31 March 2023	Total	Upto 1 year	Between 1 and 5 years	More than 5 year
Financial liabilities					
Non-current borrowings	939.91	939.91	-	932.74	7.17
Short term borrowings	266.99	266.99	266.99	-	-
Non-current lease liabilities	51.39	124.21	-	42.46	81.75
Current lease liabilities	11.72	15.33	15.33	-	-
Trade payables	729.05	729.05	729.05	-	-
Other current financial liabilities	114.13	114.13	114.13	-	-
Total	**2,113.19**	**2,189.62**	**1,125.50**	**975.20**	**88.92**

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for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

	Carrying amount		Contractual cash flows		
	As at 31 March 2022	Total	Upto 1 year	Between 1 and 5 years	More than 5 year
Financial liabilities					
Non-current borrowings	880.28	880.28	-	828.97	51.31
Short term borrowings	408.20	408.20	408.20	-	-
Non-current lease liabilities	58.76	134.80	-	44.35	90.45
Current lease liabilities	11.19	15.24	15.24	-	-
Trade payables	536.68	536.68	536.68	-	-
Other current financial liabilities	81.91	81.91	81.91	-	-
Total	**1,977.02**	**2,057.11**	**1,042.03**	**873.32**	**141.76**

The inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity.

iii. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates and interest rates – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Company uses derivatives like Foreign-currency forward contracts and Wheat Forward Contracts to manage market risks on account of foreign exchange fluctuations and fluctuation in prices of refined wheat flour (maida). All such transactions are carried out within the guidelines set by the Board of directors.

Commodity price risk

The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchase and processing of refined wheat flour i.e. Maida and therefore require a continuous supply of maida or wheat. Due to the significantly increased volatility in the price/supply of the maida, the Company also entered into various purchase contracts for wheat (for which there is an active market).

The Company's Board of Directors has developed and enacted a risk management strategy regarding commodity price risk and its mitigation. Based on a 12-month forecast of the required Maida supply, the Company hedges the purchase price using forward wheat purchase contracts. The forward contracts may/ may not result in physical delivery of wheat but are being used to hedge to offset the effect of price changes in Maida. The Company has hedged approximately 12.5% of its expected wheat/maida purchases.

Commodity price senstivity:

The following table shows the effect of price change in wheat:

Particulars	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
Wheat 1%	2.39	(2.39)	1.79	(1.79)

Currency risk

The Company is exposed to foreign currency risk on certain transactions that are denominated in a currency other than entity's functional currency, hence exposure to exchange rate fluctuations arises. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates.

In respect of other monetary assets and liabilities denominated in foreign currencies, the Company's policy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

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Exposure to currency risk

As at 31 March 2023	USD	Euro
Financial asset		
Trade receivables	3.85	-
Forward contracts receivables (including above trade receivables)	14.55	-
Total	**18.40**	**-**
Financial liabilities		
Payable for capital assets	-	0.18
Total	**-**	**0.18**
Net exposure to foreign currency risk	**18.40**	**(0.18)**

As at 31 March 2022	USD	Euro
Financial asset		
Trade receivables	3.55	0.06
Forward contracts receivables (including above trade receivables)	11.26	-
Total	**14.81**	**0.06**
Financial liabilities		
Payable for capital assets	-	0.21
Total	**-**	**0.21**
Net exposure to foreign currency risk	**14.81**	**(0.15)**

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Rs. against all other currencies as at year end would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

Particulars	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2023				
USD (1% movement)	15.12	(15.12)	11.31	(11.31)
EUR (1% movement)	(0.16)	0.16	(0.12)	0.12
31 March 2022				
USD (1% movement)	11.20	(11.20)	8.38	(8.38)
EUR (1% movement)	(0.13)	0.13	(0.10)	0.10

Interest rate risk

Currently the Company's borrowings are within acceptable risk levels, as determined by the management, hence the Company has not taken any swaps to hedge the interest rate risk.

The Company's main interest rate risk arises from long-term and short-term borrowings with variable rates, which expose the Company cash flow to interest rate risk. Company normally maintains most of its long term borrowings at MCLR+0.30% to 0.60% in Rupees. Company has all the long term loans HDFC Bank Limited, ICICI Bank Limited and Punjab National Bank.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

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(All amounts are in rupees million, unless otherwise stated)

Particulars	Amount as at	
	31 March 2023	31 March 2022
Fixed-rate instruments		
Financial assets	717.59	473.07
Financial liabilities	-	-
	717.59	**473.07**

Particulars	Amount as at	
	31 March 2023	31 March 2022
Variable-rate instruments		
Financial assets	-	-
Financial liabilities	(1,212.50)	(1,293.26)
	(1,212.50)	**(1,293.26)**

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.'

A change of 100 basis points in interest rates would have increased or decreased equity by Rs. 5.37 after tax (31 March 2022 Rs. 3.54). This analysis assumes that all other variables remain constant.

Cash flow sensitivity analysis for variable-rate instruments.

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

INR	Profit or loss (net of tax)	
	100 bp increase	100 bp decrease
31 March 2023		
Variable-rate instruments	(9.07)	9.07
Cash flow sensitivity (net)	(9.07)	**9.07**
31 March 2022		
Variable-rate instruments	(9.68)	9.68
Cash flow sensitivity (net)	**(9.68)**	**9.68**

50 Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital on a yearly basis as well as the level of dividends to ordinary shareholders which is given based on approved dividend policy.

The Board of Directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The Company capital consists of equity attributable to equity holders that includes equity share capital, reserves, retained earnings and long term borrowings.

	As at 31 March 2023	As at 31 March 2022
Total liabilities	2,797.46	2,473.43
Less: Cash and cash equivalents	81.96	313.73
Less: Bank balances other than cash and cash equivalents	568.83	470.59
Less: Fixed deposits with banks with maturity period for more than 12 months	148.76	-
Adjusted total liabilities (a)	1,997.91	1,689.11
Total equity (b)	5,100.18	4,485.01
Capital gearing ratio (a/b)	**39.17%**	**37.66%**

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(All amounts are in rupees million, unless otherwise stated)

Particulars	As at 31 March 2023	As at 31 March 2022
Borrowings (including interest accrued but not due on borrowings)	1,209.86	1,290.87
Less: Cash and cash equivalents	81.96	313.73
Less: Bank balances other than cash and cash equivalents	568.83	470.59
Less: Fixed deposits with banks with maturity period for more than 12 months	148.76	-
Adjusted net debt	410.31	506.55
Total equity	5,100.18	4,485.01
Adjusted net debt to equity ratio	0.08	0.11

As a part of its capital management policy the Company ensures compliance with all covenants and other capital requirements related to its contractual obligations.

51 Ratios as per Schedule III requirements

Particulars	31 March 2023	31 March 2022
a) Current Ratio = Current Assets divided by Current Liabilities		
Current Assets	2,769.24	2,654.59
Current Liabilities	1,584.19	1,297.40
Current Ratio	1.75	2.05
% Change from previous year	-14.57%	

Reason for change more than 25%: Not applicable

	31 March 2023	31 March 2022
b) Debt Equity Ratio = Total debt divided by Total equity where total debt refers to sum of current & non current borrowings		
Total Debt	1,206.90	1,288.48
Total Equity	5,100.18	4,485.01
Debt Equity Ratio	0.24	0.29
% Change from previous year	-17.63%	

Reason for change more than 25%: Not applicable

	31 March 2023	31 March 2022
c) Debt Service Coverage Ratio = Earnings available for debt services divided by total interest and principal repayments		
Profit after tax	762.53	534.93
Add: Non cash operating expenses and finance cost	620.18	498.13
-Depreciation and amortisation	491.23	427.54
-Finance costs	128.95	70.59
Earnings available for debt services	1,382.71	1,033.06
Interest cost on borrowings	78.81	57.47
Principal repayments	216.01	274.21
Total Interest and principal repayments	294.82	331.68
Debt Service Coverage Ratio	4.69	3.11
% Change from previous year	50.58%	

Reason for change more than 25%:

This ratio has increased from 3.11 times in March 2022 to 4.69 times in March 2023 due to increase in net profit. Also there is decrease in principal repayments due to end of full repayment of some term loans.

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(All amounts are in rupees million, unless otherwise stated)

	31 March 2023	31 March 2022
d) Return on Equity Ratio = Net profit after tax divided by Equity		
Net profit after tax	762.53	534.93
Average Equity	4,792.60	4,314.72
Return on Equity Ratio	15.91%	12.40%
% Change from previous year	28.33%	

Reason for change more than 25%:

This ratio has increased from 12.40% in March 2022 to 15.91% in March 2023 due to increase in net profit.

	31 March 2023	31 March 2022
e) Inventory Turnover Ratio = Revenue from operations divided by average inventory		
Revenue	12,643.17	9,235.80
Average Inventory	780.73	662.02
Inventory Turnover Ratio	16.19	13.95
% Change from previous year	16.08%	

Reason for change more than 25%: Not applicable

	31 March 2023	31 March 2022
f) Trade Receivables Turnover Ratio = Revenue from operations divided by average trade receivables		
Revenue	12,643.17	9,235.80
Average Trade Receivables	782.38	693.65
Trade Receivables Turnover Ratio	16.16	13.31
% Change from previous year	21.37%	

Reason for change more than 25%: Not applicable

	31 March 2023	31 March 2022
g) Trade Payables Turnover Ratio = Purchases divided by average trade payables		
Purchases	7,054.76	5,396.77
Other expenses #	2,462.67	1,679.44
Total	9,517.43	7,076.21
Average Trade Payables	632.87	543.92
Trade Payables Turnover Ratio	15.04	13.01
% Change from previous year	15.60%	

Excluding Director Remuneration and sitting fees and allowances on trade receivable and other advances of Rs. 103.36 (previous year Rs. 0.32).

Reason for change more than 25%: Not applicable

	31 March 2023	31 March 2022
h) Net Capital Turnover Ratio = Revenue divided by Working capital where working capital= current assets - current liabilities		
Revenue	12,643.17	9,235.80
Working Capital	1,185.05	1,357.19
Net Capital Turnover Ratio	10.67	6.81
% Change from previous year	56.78%	

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

Reason for change more than 25%:

This ratio has increased from 6.81 in March 2022 to 10.67 times in March 2023 due to increase in revenue of the company.

	31 March 2023	31 March 2022
i) Net Profit Ratio = Net profit after tax divided by revenue from operations		
Net profit after tax	762.53	534.93
Revenue	12,643.17	9,235.80
Net Profit Ratio	6.03%	5.79%
% Change from previous year	4.13%	

Reason for change more than 25%: Not applicable

	31 March 2023	31 March 2022
j) Return on Capital Employed = Earnings before interest and taxes (EBIT) divided by Capital Employed		
Profit before tax (A)	1,020.01	693.28
Finance costs (B)	128.95	70.59
EBIT (C) = (A)+ (B)	1,148.96	763.87
Total Assets (D)	7,897.64	6,958.44
Total Liabilities (E)	2,797.46	2,473.43
Intangible Assets (F)	1.16	1.62
Tangible Net Worth (G)	5,099.02	4,486.63
Total Debt (H)	1,206.90	1,288.48
Deferred Tax Liability (I)	94.35	91.45
Capital employed (J) = (G) + (H) + (I)	6,400.27	5,866.56
Return on Capital Employed	17.95%	13.02%
% Change from previous year	37.87%	

Reason for change more than 25%:

This ratio has increased from 13.02% in March 2022 to 17.95% in March 2023 due to increase in net profit.

	31 March 2023	31 March 2022
k) Return on Investment Ratio = Income generated from investments / total Investment		
(i) Return on Equity investments = Dividend income/ total investment		
Dividend Incoe	-	45.38
Total Investments	208.35	200.79
Return on Investment	0.00%	22.60%
% Change from previous year	100.00%	

Reason for change more than 25%:

The change is on account of dividend received from the subsidiary in previous year.

	31 March 2023	31 March 2022
(ii) Return on treasury investments = Interest income/ total investment		
Income generate from investments	36.07	33.45
Total Investments	677.78	706.82
Return on Investment	5.32%	4.73%
% Change from previous year	12.45%	

Reason for change more than 25%: Not Applicable

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

52 Corporate Social Responsibility

S. No.	Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
i	Amount required to be spent by the company during the year	13.33	12.42
ii	Amount of expenditure incurred*	9.74	12.42
iii	Shortfall at the end of the year	3.59	-
iv	Total of previous years shortfall	-	-
	Total shortfall at the end of the year **	3.59	-
v	Details of related party transactions, e.g. contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard #	-	10.11
vi	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shown be shown separately	-	-

*** Nature of CSR activities**

Current year - On promoting health care including preventive care and sanitation Rs. 5.68, on promoting education including special education Rs. 2.80, on environment sustainability Rs. 1.16, on eradicating hunger and malnutrition Rs. 0.10.

Previous year - On promoting education Rs. 10.21, on eradicating hunger and malnutrition Rs. 0.40, on environment sustainability Rs. 0.29, preventive health care Rs. 1.52.

This includes amount of Rs. Nil (Previous year Rs. 10.11) transferred to trust controlled by Company in relation to CSR expenditure.

**** Reason for shortfall**

Amount remaining unspent pertains to "Ongoing/Multilayer Projects" approved by CSR committee which will be spent in the coming years.

Details of Deposit in Unspent CSR Account

As per the requirements of Section 135(5) of The Companies Act, 2013, Rs.3.69 has been deposited in the special account (Mrs. Bectors Food Specialities Limited - Unspent CSR Account FY 2022-23) on 12 April 2023 related to shortfall as on 31 March 2023, which will be spent in the coming years.

53 (a) Share issue expenses

During the year 2020-21, the Company completed its Initial Public Offer (IPO) of 18,769,701 equity shares shares of face value of Rs. 10/- each for cash at an issue price of Rs. 288/- per equity share aggregating to Rs. 5,405.40 million, consisting of fresh issue of 1,408,592 equity shares aggregating to Rs 405.40 million and an offer for sale of 17,361,109 equity shares aggregating to Rs. 5,000.00 million by the selling shareholders. The equity shares of the Company were listed on BSE Limited and National Stock Exchange of India Limited on 24 December 2020. The Company incurred Rs. 195.34 million as an IPO related expense (excluding taxes) which are proportionately allocated between the selling shareholders and the Company as per respective offer size. The Company's share of these expenses (excluding taxes) of Rs 22.71 million had been adjusted against securities premium during the previous year.

(b) The utilisation of IPO proceeds out of fresh issue is summarized below:

Particulars	Object of the issue as per Prospectus	Utilization during the year ended 31 March 2022	Unutilized amount as at 31 March 2022	Utilization during the year ended 31 March 2023	Unutilized amount as at 31 March 2023
Financing the project cost towards Rajpura extension project	405.40	142.04	263.36	208.53	-
Utilised for general corporate purpose		-		54.83	
Total fresh proceeds	**405.40**	**142.04**	**263.36**	**263.36**	**-**

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

54 Note on intermediary

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

55 Social security

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020, and invited suggestions from stakeholders which are under consideration by the Ministry. The Company and its Indian subsidiaries will assess the impact and its evaluation once the subject rules are notified. The Company and its Indian subsidiaries will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

56 Relationship with Struck off Companies

Where the company has any transactions with the companies struck off under section 248 of the companies Act, 2013 or section of the companies Act, 1956, the company shall disclose the following details namely:-

Year ended 31 March 2023:

The company has not made any transactions with the struck off company during the current year.

Year ended 31 March 2022 :

Name of struck off Company	Nature of transactions with struck off Company	Amount (in million)	Relationship with the struck off company, if any to be disclosed
Sew Eurodrive India Private Limited	Other Expenses - Repair and Maintenance	0.32	Third party
	Payables	-	
Truckpur Solutions Private Limited	Amount written back	0.02	Third party
	Payables	-	
Gateway Resorts Private Limited	No transactions during the year	-	Third party
	Receivables	0.02	
	(Amount provided for during the previous year)		

57 Regulatory informations :

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(iv) The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

(v) The Company has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks and financial institutions are in agreement with the books of accounts.

(vi) None of the entities in the Company have been declared wilful defaulter by any bank or financial institution or government or any government authority.

(vii) The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(viii) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(ix) The Company including the "Companies in the Group" (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) do not have any Core Investment Company ("CIC").

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Rajiv Goyal
Partner
Membership No.: 094549

Place: Gurugram
Date: 25 May 2023

For and on behalf of the Board of Directors of Mrs. Bectors Food Specialities Limited

Anoop Bector
Managing Director
DIN:-00108589

Place: Gurugram
Date: 25 May 2023

Ishaan Bector
Director
DIN:-02906180

Place: Gurugram
Date: 25 May 2023

Atul Sud
Company Secretary
M. No:- F10412

Place: Phillaur
Date: 25 May 2023

Parveen Kumar Goel
Whole-time Director and CFO
DIN:- 00007297

Place: Delhi
Date: 25 May 2023

Independent Auditor's Report

To the Members of **Mrs. Bectors Food Specialities Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Mrs. Bectors Food Specialities Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), and an associate, which comprise the consolidated balance sheet as at 31 March 2023, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, , and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries and an associate, as were audited by the other auditors the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at 31 March 2023, of its consolidated profit and other comprehensive loss, consolidated changes in equity and consolidated cash flows for the period then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associate in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matter(s)

Key audit matters are those matters that, in our professional judgment and based on the consideration of reports of other auditors on separate financial statements of components audited by them, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue Recognition	
See Note 2(h) and Note 32 to consolidated financial statements	
The key audit matter	**How the matter was addressed in our audit**
Revenue from the sale of goods and services is recognized when control in goods is transferred to the customer and when the services are completed, and is measured net of rebates, discounts and returns. Standards on Auditing presume that there is fraud risk with regard to revenue recognition. We focused on this area since there is a risk that revenue may be overstated because of fraud, resulting due to the pressure from Management and Board of Directors who may strive to achieve performance targets. Also, revenue is a key performance indicator for the Company which makes it susceptible to misstatement because the timing of revenue recognition requires exercise of judgement In view of the above, we have identified risk of fraud in revenue recognition as a key audit matter.	**In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:** • We assessed the appropriateness of the revenue recognition accounting policies against the requirement of Ind AS115 i.e. Revenue from contracts with customers. • We evaluated the design and implementation of key internal financial controls in relation to revenue recognition and tested the operating effectiveness of such controls for a sample of transactions (using random sampling). • Involved our IT specialists to assist us in testing of general IT controls and key IT application controls relating to revenue recognition. • We performed testing by selecting samples (using statistical sampling) of revenue transactions recorded for the year. For such samples, verified the underlying documents, including invoices, good dispatch notes, customer acceptances and shipping documents (as applicable), to assess whether these are recognized in the appropriate period in which control is transferred or services are provided. • We carried out analytical procedures on revenue recognized during the year to identify unusual variances. • We tested, on a sample basis (selected based on specified risk-based criteria), specific revenue transactions recorded before and after the financial year end date to determine whether the revenue had been recognized in the appropriate financial period • We tested sample manual journal entries for revenue, selected based on specified risk-based criteria to identify unusual items. • We assessed the adequacy of the disclosures made in the financial statements as per the requirements of Ind AS 115.

Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the financial statements and auditor's report thereon. The Holding Company's annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Hoding Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and and take necessary actions, as applicable under the relevant laws and regulations.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies and the respective Management and Board of Directors of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and

are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and the respective Management and Board of Directors of its associate are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and the respective Management and Board of Directors and of its associate are responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements/financial information of such entities or business activities within the Group and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements/financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which has/have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matter(s)

a. We did not audit the financial information of two wholly owned subsidiaries, whose financial information reflects total assets (before consolidation adjustments) of Rs. 12.18 million as at 31 March 2023, total revenues (before consolidation adjustments) of Rs. 2.64 million and net cash outflow (before consolidation adjustments) amounting to Rs. 2.95 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Holding Company's share of net loss (and other comprehensive income) of Rs. 3.35 million for the year ended 31 March 2023, in respect of an associate, whose financial information has not been audited by us. These financial statements has been audited by other auditors whose reports has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associate is based solely on the reports of the other auditors.

b. One of the subsidiary referred above is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in its country and which has been audited by other auditor under generally accepted auditing standards applicable in its country. The Holding Company's management has converted the financial statements/financial information of such subsidiary located outside India from accounting principles generally accepted in its country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the reports of other auditor and the conversion adjustments prepared by the management of the Holding Company and audited by us.

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

Report on Other Legal and Regulatory Requirements

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

2 A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries and an associate as were audited by other auditors, as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report/reports of the other auditor(s).

   c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   e. On the basis of the written representations received from the directors of the Holding Company as on 01 April 2023 taken on record by the Board of Directorsof the Holding Company and the reports of the statutory auditors of its subsidiary companies and an associate company incorporated in India, none of the directors of the Group companies, its associate company incorporated in India is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, associate company incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiary and an associate, as noted in the "Other Matters" paragraph:

a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2023 on the consolidated financial position of the Group and its associate. Refer Note 42 to the consolidated financial statements.

b. The Group and its associate did not have any material foreseeable losses on long-term contracts including derivative contracts during the period ended 31 March 2023.

c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies or associate company incorporated in India during the period ended 31 March 2023.

d (i) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 55 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies or associate company incorporated in India to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Holding Company or its subsidiary companies and associate company incorporated in India or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The management has represented, that, to the best of its knowledge and belief, as disclosed in Note 55 to the consolidated financial statements, no funds have been received by the Holding Company or its subsidiary companies and associate company incorporated in India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary companies and associate company incorporated in India shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The final dividend paid by the Holding Company during the year, which was declared in the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

The interim dividend declared and paid by the Holding Company during the year and until the date of this audit report is in accordance with section 123 of the Companies Act 2013.

As stated in Note 21 to the financial statements, the Board of Directors of the Holding Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend

declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Holding Company or any of such subsidiary companies and associate company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us and based on the report(s) of the statutory auditors of such subsidiary company and an associate company incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company, its subsidiary companies and an associate company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies and an associate company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Rajiv Goyal
Partner
Membership No.: 094549
ICAI UDIN:23094549BGYNUR3637

Place: Gurugram
Date: 25 May 2023

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Mrs. Bectors Food Specialities Limited for the period ended 31 March 2023

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(xxi) In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have unfavourable remarks, qualification or adverse remarks given by the respective auditors in their reports under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Holding Company/ SubsidiaryAssociate	Clause number of the CARO report which is unfavourable or qualified or adverse
1.	Mrs. Bectors English Oven Limited	U15412PB2013PLC037958	Subsidiary Company	(xvii)

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Rajiv Goyal
Partner
Membership No.: 094549
ICAI UDIN:23094549BGYNUR3637

Place: Gurugram
Date: 25 May 2023

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Mrs. Bectors Food Specialities Limited for the period ended 31 March 2023

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of Mrs. Bectors Food Specialities Limited (hereinafter referred to as "the Holding Company") as of and for the period ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which are its subsidiary companies and an associate company, as of that date.

In our opinion and based on the consideration of reports of the other auditors on internal financial controls with reference to financial statements of subsidiary company and an associate company, as were audited by the other auditors, the Holding Company and such companies incorporated in India which are its subsidiary companies and an associate company, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor(s) of the relevant subsidiary company and an associate company in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and

dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to One subsidiary company and an associate company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of this matter.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Rajiv Goyal
Partner
Membership No.: 094549
ICAI UDIN:23094549BGYNUR3637

Place: Gurugram
Date: 25 May 2023

Consolidated Balance Sheet as at 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

	Notes	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	4,075.70	3,913.66
Capital work-in-progress	4	487.05	119.42
Right-of-use assets	5	182.00	192.32
Goodwill	6	3.95	3.95
Other intangible assets	7	1.16	1.62
Equity accounted investment	8a	36.27	39.62
Financial assets			
(i) Other investments	8b	4.80	2.60
(ii) Other financial assets	9	359.07	39.11
Income tax assets (net)	10	40.53	41.32
Other non-current assets	11	182.19	109.00
Total non-current assets		5,372.72	4,462.62
Current assets			
Inventories	12	814.46	786.80
Financial assets			
(i) Investments	13	68.95	64.87
(ii) Trade receivables	14	903.34	749.65
(iii) Cash and cash equivalents	15	89.90	324.73
(iv) Bank balances other than (iii) above	16	658.61	506.07
(v) Loans	17	4.71	4.82
(vi) Other financial assets	18	140.87	178.38
Other current assets	19	259.97	143.61
Total current assets		2,940.81	2,758.93
Total assets		8,313.53	7,221.55
EQUITY AND LIABILITIES			
Equity			
Equity share capital	20	588.17	588.15
Other equity	21	4,855.01	4,101.62
Total equity		5,443.18	4,689.77
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	22	939.91	880.28
(ii) Lease liabilities	5	51.39	58.76
Provisions	23	52.80	65.49
Deferred tax liabilities (net)	24	98.15	99.24
Other non-current liabilities	25	81.42	85.33
Total non-current liabilities		1,223.67	1,189.10
Current liabilities			
Financial liabilities			
(i) Borrowings	26	266.99	405.20
(ii) Lease liabilities	5	11.72	11.19
(iii) Trade payables	27		
(a) Total outstanding dues of micro enterprises and small enterprises"		103.54	89.50
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		671.23	487.32
(iv) Other financial liabilities	28	121.63	82.31
Other current liabilities	29	402.55	228.83
Provisions	30	59.79	37.65
Current tax liabilities (net)	31	9.23	0.68
Total current liabilities		1,646.68	1,342.68
Total liabilities		2,870.35	2,531.78
Total equity and liabilities		8,313.53	7,221.55

Significant accounting policies 2

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Rajiv Goyal
Partner
Membership No.: 094549

Place: Gurugram
Date: 25 May 2023

For and on behalf of the Board of Directors of
Mrs. Bectors Food Specialities Limited

Anoop Bector
Managing Director
DIN:-00108589

Place: Gurugram
Date: 25 May 2023

Ishaan Bector
Director
DIN:-02906180

Place: Gurugram
Date: 25 May 2023

Atul Sud
Company Secretary
M. No:- F10412

Place: Phillaur
Date: 25 May 2023

Parveen Kumar Goel
Whole-time Director and CFO
DIN:- 00007297

Place: Delhi
Date: 25 May 2023

Consolidated Statement of Profit and Loss

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

	Notes	For the year ended 31 March 2023	For the year ended 31 March 2022
Income			
Revenue from operations	32	13,621.39	9,881.73
Other income	33	120.23	62.76
Total income		13,741.62	9,944.49
Expenses			
Cost of materials consumed	34	7,376.78	5,360.31
Purchase of stock-in-trade	35	237.84	155.85
Changes in inventories of finished goods, stock-in- trade and work-in-progress	36	(73.74)	(4.98)
Employee benefits expense	37	1,629.92	1,377.72
Finance costs	38	129.12	70.80
Depreciation and amortisation expense	39	532.77	459.99
Other expenses	40	2,698.55	1,767.97
Total expenses		12,531.24	9,187.66
Profit before share of equity accounted investees and tax			
Share of net (loss)/ profit of associate accounted for using the equity method (net of tax)	8a	(3.35)	0.41
Profit before tax		1,207.03	757.24
Tax expense	24		
Current tax		307.18	184.13
Deferred tax		(0.89)	1.68
		306.29	185.81
Profit for the year (A)		900.74	571.43
Other comprehensive income/ (loss)			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans		(0.82)	10.85
Income tax relating to items that will not be reclassified to profit or loss			
Income tax relating to remeasurement of defined benefit plans		0.20	(2.73)
Items that will be reclassified subsequently to profit or loss			
Exchange difference in translating financial statements of foreign operations		0.07	-
Total other comprehensive income/ (loss) for the year (B)		(0.55)	8.12
Total comprehensive income for the year (A + B)		900.19	579.55
Earnings per equity share [nominal value of Rs. 10 (previous year Rs.10)]	41		
Basic		15.31	9.72
Diluted		15.31	9.72

Significant accounting policies 2

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Rajiv Goyal
Partner
Membership No.: 094549

Place: Gurugram
Date: 25 May 2023

For and on behalf of the Board of Directors of Mrs. Bectors Food Specialities Limited

Anoop Bector
Managing Director
DIN:-00108589

Place: Gurugram
Date: 25 May 2023

Ishaan Bector
Director
DIN:-02906180

Place: Gurugram
Date: 25 May 2023

Atul Sud
Company Secretary
M. No:- F10412

Place: Phillaur
Date: 25 May 2023

Parveen Kumar Goel
Whole-time Director and CFO
DIN:- 00007297

Place: Delhi
Date: 25 May 2023

Consolidated Statement of Changes in Equity

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

(a) Equity share capital

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	5,88,15,325	588.15	5,87,46,514	587.47
Share based option exercised during the year	2,149	0.02	68,811	0.69
Shares issued during the year	-	-	-	-
Balance at the end of the year	**5,88,17,474**	**588.17**	**5,88,15,325**	**588.15**

(b) Other equity

Particulars	Note	Reserves & surplus					
		Share options outstanding account	Capital reserve	Securities premium	General reserve	Retained earnings	Total
Balance at 1 April 2021		**4.89**	**13.17**	**628.38**	**18.88**	**3,059.63**	**3,724.95**
Profit for year		-	-	-	-	571.43	571.43
Other comprehensive (loss) / income for year	21 c	-	-	-	-	8.12	8.12
Total comprehensive income for year		**-**	**-**	**-**	**-**	**579.55**	**579.55**
Share based expense	21 d	0.43	-	-	-	-	0.43
Employee stock option exercised during the year	21 d	(5.02)	-	16.34	-	-	11.32
Less: Dividends	21 c	-	-	-	-	(214.63)	(214.63)
Balance at 31 March 2022		**0.30**	**13.17**	**644.72**	**18.88**	**3,424.55**	**4,101.62**
Profit for year		-	-	-	-	900.74	900.74
Other comprehensive (loss) / income for year	21 c	-	-	-	-		
Remeasurement of defined benefit plans		-	-	-	-	(0.62)	(0.62)
Exchange difference in translating financial statements of foreign operations		-	-	-	-	0.07	0.07
Total comprehensive income for year		**-**	**-**	**-**	**-**	**900.19**	**900.19**
Share based expense	21 d	0.03	-	-	-	-	0.03
Employee stock option exercised during the year	21 d	(0.17)	-	0.54	-	-	0.37
Share based option forfeited during the year	21 d	(0.16)	-	-	-	-	(0.16)
Less: Dividends	21 c	-	-	-	-	(147.04)	(147.04)
Balance at 31 March 2023		**-**	**13.17**	**645.26**	**18.88**	**4,177.70**	**4,855.01**

Significant accounting policies 2

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Rajiv Goyal
Partner
Membership No.: 094549

Place: Gurugram
Date: 25 May 2023

For and on behalf of the Board of Directors of Mrs. Bectors Food Specialities Limited

Anoop Bector
Managing Director
DIN:-00108589

Place: Gurugram
Date: 25 May 2023

Ishaan Bector
Director
DIN:-02906180

Place: Gurugram
Date: 25 May 2023

Atul Sud
Company Secretary
M. No:- F10412

Place: Phillaur
Date: 25 May 2023

Parveen Kumar Goel
Whole-time Director and CFO
DIN:- 00007297

Place: Delhi
Date: 25 May 2023

Statement of consolidated Cash Flows

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

		For the year ended 31 March 2023	For the year ended 31 March 2022
A.	**Cash flow from operating activities**		
	Profit before tax	1,207.03	757.24
	Non-cash adjustments to reconcile profit before tax to net cash flows:		
	Depreciation and amortisation expense	532.77	459.99
	Allowances on trade receivable and other advances	7.68	0.32
	Amortisation of government grants	(19.78)	(19.70)
	Change in fair value of derivative contracts	2.55	(2.16)
	Net unrealized foreign exchange loss/ (gain)	2.97	(2.23)
	Net profit on sale/write off of property, plant and equipment	(2.75)	(4.73)
	Share based payment to employees	(0.13)	0.43
	Finance costs	129.12	70.80
	Interest income	(42.48)	(37.25)
	Share of profit of equity accounted investment	3.35	(0.41)
Operating profit before working capital changes		**1,820.33**	**1,222.30**
	Movement in working capital:		
	Decrease/ (increase) in current loans	0.11	(4.82)
	Decrease in other financial assets	25.42	71.98
	(Increase) in other non-current assets	(0.49)	(0.21)
	(Increase) in other current assets	(116.36)	(53.64)
	(Increase) in inventories	(27.66)	(217.73)
	(Increase) in trade receivables	(163.16)	(28.10)
	(Decrease)/ increase in non current provisions	(13.51)	2.20
	Increase in current provisions	22.14	7.53
	Increase in other liabilities	176.61	40.90
	Increase in trade payables	197.95	4.19
	Increase in other financial liabilities	17.04	9.46
Cash generated from operations		**1,938.42**	**1,054.06**
	Income tax paid (net of refund)	(297.84)	(211.54)
Net cash from operating activities (A)		**1,640.58**	**842.52**
B.	**Cash flows from investing activities**		
	Purchase of property, plant and equipment (including capital work-in-progress, capital creditors andcapital advances)	(1,094.55)	(602.99)
	Purchase of intangible assets	-	(1.52)
	Proceeds from sale of property, plant and equipment	11.58	12.03
	Purchase of invesments	(6.28)	(5.76)
	Net investments in bank deposits (having original maturity of more than three months)	(465.44)	(5.85)
	Interest received	44.96	39.02
Net cash used in investing activities (B)		**(1,509.73)**	**(565.07)**
C.	**Cash flows from financing activities**		
	Proceeds from exercise of employee stock option (including securities premium)	0.39	12.01
	Proceeds from non-current borrowings *	243.82	142.09
	Repayments of non-current borrowings *	(242.39)	(260.06)
	(Repayments)/ proceeds of current borrowings (net)	(80.01)	98.47
	Payment of lease liabilities (including interest on lease liabilities)**	(16.32)	(10.66)
	Finance costs paid	(124.31)	(67.42)
	Dividend paid	(146.93)	(214.50)
Net cash used in financing activities (C)		**(365.75)**	**(300.07)**

Statement of consolidated Cash Flows

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

	For the year ended 31 March 2023	For the year ended 31 March 2022
Net (decrease) in cash and cash equivalents (A+B+C)	(234.90)	(22.62)
Effect of exchange gain on cash and cash equivalents	0.07	-
Cash and cash equivalents at the beginning of the year	324.73	347.35
Cash and cash equivalents at the end of the year	89.90	324.73

Notes:-

	For the year ended 31 March 2023	For the year ended 31 March 2022
1. Cash and cash equivalents include		
Balance with banks		
- in current accounts	88.40	158.61
- deposits with original maturity of less than three months	-	164.81
Cash on hand	1.50	1.31
	89.90	324.73

* Also refer note 22 (b) for reconciliation of liabilities from financing activities.

** Refer note 5.

The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Ind AS 7 - on Statement of Cash Flow as notified under Companies (Accounts) Rules, 2015.

Significant accounting policies 2
The accompanying notes are an integral part of these consolidated financial statements
As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Rajiv Goyal
Partner
Membership No.: 094549

Place: Gurugram
Date: 25 May 2023

For and on behalf of the Board of Directors of Mrs. Bectors Food Specialities Limited

Anoop Bector
Managing Director
DIN:-00108589

Place: Gurugram
Date: 25 May 2023

Ishaan Bector
Director
DIN:-02906180

Place: Gurugram
Date: 25 May 2023

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Company Secretary
M. No:- F10412

Place: Phillaur
Date: 25 May 2023

Parveen Kumar Goel
Whole-time Director and CFO
DIN:- 00007297

Place: Delhi
Date: 25 May 2023

Notes to consolidated financial statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

1. Reporting entity

Mrs. Bectors Food Specialities Limited referred to as "the Company" or "Parent" is domiciled in India. The Company's registered office is at Theing Road, Phillaur-144410, Punjab, India. The equity shares of the Company are listed on BSE Limited and The National Stock Exchange of India Limited. These consolidated financial statements comprise of the Company and its subsidiaries (together referred to as the 'Group') and its associate. The Group and its associate is engaged in the business of manufacturing and distribution of food products. The Group caters to both domestic and export markets.

2. Significant Accounting Policies

The Group and its associate has consistently applied the following accounting policies to all periods presented in the consolidated financial statements.

a) Basis and purpose of preparation

i) Statement of compliance

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (India Accounting Standards) Amendment Rules, 2016 notified under section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act as amended from time to time.

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

These consolidated financial statements were authorised for issue by the Parent's Company's Board of Directors on 25 May 2023.

ii) Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees, which is the Group and its associate's functional currency. All amounts have been rounded to the nearest million, upto two places of decimal, unless otherwise stated.

iii) Basis of measurement

The consolidated financial statements have been prepared under the historical cost basis except for the following:

- Defined benefit liability/(assets): Fair value of the plan assets less present value of defined benefit obligations
- Certain financial assets and liabilities (including derivative instruments: measured at fair value)

Fair value measurement

Fair value is the price that would be received from sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either –

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to/ by the Group and its associate. All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole-

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or liability, the Group and its associate uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirely in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Notes to consolidated financial statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

The Group and its associate recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the changes have occurred.

Further information about the assumptions made in measuring fair values used in preparing these financial statements is included in note 49 Financial instruments.

iv) Use of judgments and estimates

In preparing these consolidated financial statements, management has made judgments, estimates and assumptions that affect the application of the Group and its associate's accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the consolidated financial statements are prudent and reasonable. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Judgements

Information about the judgments made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements have been given below:

- Note 49 - classification of financial assets: assessment of business model within which the assets the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding;
- Note 5 & 44 - leases classification and assessment of discount rate in relation to lease accounting as per Ind AS 116

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the consolidated financial statements for every period ended is included below:

- Note 3 and 7 - useful life and residual value of property, plant and equipment and other intangible assets;
- Note 46 - measurement of defined benefit obligations: key actuarial assumptions,
- Note 48 - fair value of share-based payments
- Note 42 - Recognition and measurement of provisions and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources
- Note 49 - impairment of financial assets;
- Note 2(m) & 49 - Fair value measurement of financial instruments.
- Note 2(n) – Impairment test of non-financial assets: key assumptions underlying recoverable amounts
- Note 12 – Valuation of inventories
- Note 2(i) , 25 & 29 – Accounting for Government grant
- Note 2(o) - (i), 10, 24- Recognition of tax expense including deferred tax
- Note 2(h) – Revenue from contract with customers and related accruals

v) Current and non-current classification

The Group and its associate presents assets and liabilities in the consolidated financial statements based on current / non-current classification.

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realized in, or is intended for sale or consumption in, the Group and its associate's normal operating cycle.
- it is held primarily for the purpose of being traded;
- it is expected to be realized within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Group and its associate's normal operating cycle;
- it is held primarily for the purpose of being traded;

Notes to consolidated financial statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

- it is due to be settled within 12 months after the reporting date; or
- the Group and its associate does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current assets/liabilities include current portion of non-current financial assets/liabilities respectively. All other assets/ liabilities are classified as non-current. Deferred tax assets and liabilities (if any) are classified as non-current assets and liabilities.

Operating cycle

Based on the nature of the operations and the time between the acquisition of assets for processing and their realization in cash or cash equivalents, the Group and its associate has ascertained its operating cycle as twelve months for the purpose of current/non-current classification of assets and liabilities.

b) Basis of consolidation

i) Business Combinations (other than common control business combinations)

In accordance with Ind AS 103, the Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in Other Comprehensive Income ('OCI') and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured subsequently and settlement is accounted for within equity. Other contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in profit or loss.

If a business combination is achieved in stages, any previously held equity interest in the acquiree is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

ii) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expense. Intercompany transactions, balances and unrealized gains on transactions between Group entities are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of Profit and Loss, Consolidated statement of changes in Equity and Consolidated Balance sheet respectively.

iii) Associate

The Group's interests in equity accounted investment comprise interests in associate.

An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Interests in associate is accounted

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for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and OCI of equity accounted investment until the date on which significant influence ceases.

iv) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognize the group's share of associate's post-acquisition profits or losses of the investee on profit and loss, and the Group and its associate's share of other comprehensive income.

Dividends received or receivable from associate are recognised as a reduction in the carrying amount of the investment.

When the Group and its associate's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group and its associate does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealized gains on transactions between the Group are eliminated to the extent of the Group and its associate's interest in these entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

v) The Consolidated Financial Statements comprises financial statements of the members of the Group as under:

Name and relation of Company	Country of Incorporation	% of Interest As at 31 March 2023	% of Interest As at 31 March 2022
Holding Company			
Mrs. Bectors Food Specialities Limited	India		
Subsidiaries			
Bakebest Foods Private Limited	India	100	100
Mrs Bectors English Oven Limited	India	100	100
Mrs. Bectors Food International (FZE)	UAE	100	100
Associate			
Cremica Agro Foods Limited	India	43.09	43.09

c) Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment (PPE) are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

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

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

Major machinery spares parts are classified as property, plant and equipment when they are expected to be utilized over more than one period. Other spares are carried as inventory and recognised in the consolidated statement of Profit and Loss as and when consumed.

Any gain or loss on disposal of property, plant and equipment is recognised in consolidated statement of Profit and Loss.

The cost of property, plant and equipment not ready for their intended use is recorded as capital work-in-progress before such date. Cost of construction that relate directly to specific property, plant and equipment and that are attributable to construction activity in general and can be allocated to specific property, plant and equipment are included in capital work-in-progress.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under

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other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

The cost and related accumulated depreciation are eliminated from the consolidated financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the consolidated statement of Profit and Loss. Assets held for sale, that meets the criteria of Ind AS 105 are reported at the lower of the carrying value or the fair value less cost to sell.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognized as at 1 April 2016, measured as per the previous GAAP and use that carrying value as the deemed cost of such property, plant and equipment

Subsequent Measurement

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Group and its associate and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the consolidated statement of Profit and Loss when incurred.

Depreciation

Depreciation is calculated on cost of items of PPE (excluding freehold land) less their estimated residual values over their estimated useful lives using the straight line basis using the rates based on the useful lives prescribed as per Part C of schedule II, of the Companies Act 2013 except in case of certain plant and equipment such as moulds, crates and pallets where the management has assessed useful life as 3 years based on internal technical evaluation, and is recognised in the consolidated statement of Profit and Loss. Freehold land is not depreciated.

Depreciation on items of property, plant and equipment is provided as per the rates corresponding to the useful life specific in Schedule II of the Companies Act, 2013 read with notification dated 29 August 2014 of Ministry of Corporate Affairs as follows:

Assets	Management estimate of useful life	Useful life as per Schedule II
Building	30 years	30 years
Plant and machinery	3 to 25 years	15 years
Furniture and fixtures	10 years	10 years
Vehicles	8 years	8 years
Office equipment	5 years	5 years
Computer	3 to 6 years	3 to 6 years

Significant components of assets and their useful life and depreciation charge is based on an internal technical evaluation. These estimated lives are based on technical assessment made by technical expert and management estimates. Management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of). The leasehold improvements are depreciated over the period of lease term or useful life, whichever is earlier.

Depreciation method, useful lives and residual values are reviewed at each balance sheet date end and adjusted if appropriate.

Derecognition

A property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use and disposal. Losses arising from retirement and gains or losses arising from disposal of a tangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated statement of Profit and Loss.

d) Goodwill and Intangible assets

Goodwill

For measurement of goodwill that arises on a business combination (Refer note b.i). Subsequent measurement is at cost less any accumulated impairment losses. The goodwill on consolidation is tested for impairment annually.

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Other Intangible assets

Intangible assets that are acquired by the Group and its associate are measured initially at cost. Cost of an item of Intangible asset comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in consolidated statement of Profit and Loss as incurred.

Estimated useful life of the softwares is considered as 5 years.

Amortisation method, useful lives and residual values are reviewed at the end of each balance sheet date and adjusted, if appropriate.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the consolidated statement of Profit and Loss when the asset is derecognised.

Advances paid towards acquisition of intangible assets outstanding at each period end date, are shown under other non-current assets and cost of assets not ready for intended use before the period end, are shown as intangible asset under development.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its intangible assets recognized as at 1 April 2016, measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

e) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currency of the Group and its associate at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in the consolidated statement of Profit and Loss.

f) Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily takes substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

g) Employee benefits

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group and its associate has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

Share-based payment transactions

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date.

Post-employment benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed

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contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Group and its associate makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the consolidated statement of Profit and Loss in the periods during which the related services are rendered by employees.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group and its associate's gratuity benefit scheme is a defined benefit plan.

Gratuity

The Group and its associate's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The Parent Company's plan is funded with an Insurance Company in the form of insurance policies. However, the subsidiaries and associate's plan is not funded. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group and its associate, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other Comprehensive Income (OCI). The Group and its associate determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the consolidated statement of Profit and Loss.

Other long term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Consolidated Balance sheet date less the fair value of the plan assets, if any out of which the obligations are expected to be settled. The cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Consolidated Balance sheet date. Actuarial gains and losses are recognised in the statement of Profit or Loss in the period in which they occur.

h) Revenue

i. Sale of goods

Under Ind AS 115, the Group and its associate recognized revenue when (or as) a performance obligation was satisfied, i.e. when 'control' of the goods underlying the particular performance obligation were transferred to the customer.

Further, revenue from sale of goods is recognized based on a 5-Step Methodology which is as follows:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Revenue is recognised when a customer obtains control of the goods which is ordinarily upon delivery at the customer premises. Revenue is measured at transaction price, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as goods and services tax, etc. For certain contracts that permit the customer to return an item, revenue is recognised to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognised will

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not occur. As a consequence, for those contracts for which the Group and its associate is unable to make a reasonable estimate of return, revenue is recognised when the return period lapses, or a reasonable estimate can be made.

Rendering of services

Revenue in respect of sale of services is recognised on an accrual basis in accordance with the terms of the relevant agreements.

ii. Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group and its associate performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

iii. Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group and its associate has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group and its associate transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group and its associate performs under the contract.

iv. Right of return

Group and its associate provides a customer with a right to return in case of any defects or on grounds of quality. The Group and its associate uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group and its associate will be entitled. The requirements in Ind AS 115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Group and its associate recognises a refund liability. A right of return asset and corresponding adjustment to change in inventory is also recognised for the right to recover products from a customer.

i) Government grants and subsidies

Government grants for capital assets are recognised initially as deferred income at fair value when there is reasonable assurance that they will be received and the Group and its associate will comply with the conditions associated with the grant; they are then recognised in consolidated statement of Profit and Loss as other income on a systematic basis.

Grants that compensate the Group and its associate for expenses incurred are recognised in the statement of profit and loss, as income or deduction from the relevant expense on a systematic basis in the periods in which such expenses are recognized.

Export Incentives

Export incentives under various schemes notified by the government are recognised on accrual basis when no significant uncertainties as to the amount of consideration that would be derived and that the group and its associate will comply with the conditions associated with the grant and ultimate collection exist.

j) Recognition of interest income or expense

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument to:

a) the gross carrying amount of the financial asset; or

b) the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

k) Inventories

Inventories are measured at the lower of cost and net realizable value. The methods of determining cost of various categories of inventories are as follows:

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Raw materials, packing materials and stores and spares	Weighted average method
Traded goods	Weighted average method
Work-in-progress and finished goods (manufactured)	Weighted average cost and includes an appropriate share of variable and fixed production overheads. Fixed production overheads are included based on normal capacity of production facilities.
Goods in transit	Specifically identified purchase cost

The cost of inventories includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

l) Provisions, contingent liabilities, Contingent assets, Commitments

Provisions are recognised when the Group and its associate 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. The expense relating to a provision is presented in the consolidated statement of Profit and Loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Expected future losses are not provided for.

A provision for onerous contract is recognised when the expected benefits to be derived by the company from a contract are lower than the unavoidable cost of meeting its obligation under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the company recognises any impairment loss on assets associated.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the entity. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

Contingent assets are not recognised in the consolidated financial statements but disclosed where an inflow of economic benefit is probable.

Commitments

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting date.

m) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign exchange forward contracts, embedded derivatives in the host contract, etc.

A contract to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments are financial instrument i.e. derivative contracts except for contracts which are entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the Company's expected purchase, sale or usage requirements are not financial instruments.

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Financial assets

i) Initial recognition and measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

The Group and its associate initially recognises a financial asset (except trade receivable) at fair value plus or minus transaction cost that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit and loss). Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss ('FVTPL') are recognised immediately in the Statement of Profit and Loss.

ii) Classifications and subsequent measurement

Classifications

The Group and its associate classifies its financial assets as subsequently measured at either amortised cost or fair value depending on the Group and its associate's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Business model assessment

The Group and its associate makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management.

Assessment whether contractual cash flows are solely payments of principal and interest

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group and its associate considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

Debt instrument at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at Fair value though profit and loss (FVTPL):

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate ('EIR') method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Debt instrument at fair value through Other Comprehensive Income (FVOCI)

A financial asset is measured at FVOCI only if both of the following conditions are met:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

After initial measurement, such financial assets are subsequently measured at fair value with changes in fair value recognised in other comprehensive income (OCI). Interest income is recognised basis EIR method and the losses arising from Expected Credit Losses (ECL) impairment are recognised in the profit or loss.

Debt instrument at fair value through profit and loss (FVTPL)

Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVTPL.

Equity instruments

All equity investments in entities other than tax free bonds and fixed deposits are measured at fair value.

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Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group and its associate decides to classify the same either as at FVTOCI or FVTPL. The Group and its associate makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group and its associate decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group and its associate may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Investments in tax free bonds and fixed deposits are measured at amortised cost.

iii) Reclassification of financial assets

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Group and its associate changes its business model for managing financial assets.

iv) Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Group and its associate of similar financial assets) is primarily derecognised (i.e. removed from the Group and its associate's Consolidated Balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group and its associate has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group and its associate has transferred substantially all the risks and rewards of the asset, or (b) the Group and its associate has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

Financial liabilities

i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, amortised cost, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of amortised cost, net of directly attributable transaction costs.

ii) Classification and subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities measured at amortised cost

After initial recognition, financial liabilities are amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

iii) Derecognition of financial liabilities

The Group and its associate derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Consolidated Balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously ('the offset criteria').

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Derivative financial instruments

The Group and its associate holds derivative financial instruments to hedge its foreign currency exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met. Contracts to buy or sell a non- financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments are also derivative financial instruments.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The Group and its associate enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss and are included in other gains/ (losses).

n) Impairment

Impairment of financial assets

The Group and its associate recognises loss allowances for expected credit loss on financial assets measured at amortised cost. At each reporting date, the Group and its associate assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have detrimental impact on the estimated future cash flows of the financial assets have occurred.

Evidence that a financial asset is credit – impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for 90 days or more;
- the restructuring of a loan or advance by the Group and its associate on terms that the Group and its associate would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Group and its associate measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

Bank balances for which credit risk (i.e. the risk of default occurring over the expected life of financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months)

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group and its associate is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group and its associate considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group and its associate's historical experience and informed credit assessment and including forward-looking information.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group and its associate in accordance with the contract and the cash flows that the Group and its associate expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowance for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

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Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group and its associate determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write- off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with Group and its associate's procedures for the recovery of amount due.

Impairment of non-financial assets

The Group and its associate's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest Group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

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

The Group and its associate's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

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

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

o) (i) Income taxes

Income tax comprises current and deferred tax. It is recognised in the consolidated statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income. Section 115 BAA of the Income Tax Act 1961, introduced by Taxation Laws (Amendment) Ordinance, 2019 gives a one-time irreversible option to Domestic Companies for payment of corporate tax at reduced rates. The Group and its associate has opted to recognize tax expense at the new income tax rate as applicable to the Company in the previous year.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Consolidated Balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that

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(All amounts are in rupees million, unless otherwise stated)

taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each Consolidated Balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the Consolidated Balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group and its associate expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group and its associate intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised in the consolidated statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

o) (ii) Leases

Leases under Ind AS 116

At inception of a contract, the Group and its associate assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As lessee

The Group and its associate's lease asset classes primarily consist of leases for buildings and leasehold land. The Group and its associate, at the inception of a contract, assesses whether the contract is a lease or not. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contracts existing and entered on or after 1 April 2019.

The Group and its associate elected to use the following practical expedients on initial application:

- Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
- Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The Group and its associate recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis

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as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the consolidated statement of Profit and Loss.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group and its associate's incremental borrowing rate. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group and its associate recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and consolidated statement of Profit and Loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group and its associate recognises any remaining amount of the re-measurement in consolidated statement of Profit and Loss.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group and its associate is reasonably certain to exercise, lease payments in an optional renewal period if the Group and its associate is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group and its associate is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group and its associate's estimate of the amount expected to be payable under a residual value guarantee, if the Group and its associate changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of- use asset has been reduced to zero. The Group and its associate presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'financial liabilities' in the statement of financial position.

The Group and its associate has elected not to recognise right-of-use assets and lease liabilities for short- term leases that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The Group and its associate recognises the lease payments associated with these leases as an expense in the consolidated statement of Profit or Loss over the lease term.

As lessor

Leases in which the group or its associate transfer substantially all the risks and benefits of ownership of the assets are classified as finance leases. Assets given under finance lease are recognized as a receivable at an amount equal to the net investment in the lease. After initial recognition, the group and its associate apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The interest income is recognized in the consolidated statement if profit and loss. Initial direct costs such as legal cost, brokerage cost etc. are recognized immediately in the consolidated statement of profit and loss.

Leases in which the group and its associate does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating lease are included in Property, plant

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and equipment. Lease income on an operating income is recognized in the consolidated statement of profit and loss on a straight line basis over lease term. Costs, including depreciation, are recognized as an expense in the consolidated statement of profit and loss. Initial direct costs such as legal cost, brokerage cost etc. are recognized immediately in the consolidated statement of profit and loss.

Assets held under lease

Leases of property, plant and equipment that transfer to the Group and its associate substantially all the risk and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to the initial recognition, the assets are accounted for in accordance with the accounting policies applicable to similar owned assets.

Assets held under leases that do not transfer to the Group and its associate substantially all the risk and rewards of ownership (i.e. operating lease) are not recognised in the Group and its associate's Balance Sheet.

Lease Payments

Payments made under operating leases are generally recognised in the consolidated statement of Profit and Loss on a straight line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase. Lease incentive received are recognised as an integral part of the total lease expense over the term of the lease.

Payments made under finance lease are allocated between the outstanding liability and finance cost. The finance cost is charged to the consolidated statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

p) Corporate Social Responsibility ("CSR") expenditure

CSR expenditure incurred by the Group and its associate is charged to the consolidated statement of the profit and loss.

q) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of Directors of the Group and its associate have been identified as being the Chief operating decision maker by the management of the Group and its associate. Refer note 43 for segment information presented.

r) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term deposits with an original maturity of three months or less.

s) Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group and its associate are segregated.

t) Earnings per share

Basic earnings/(loss) per share are calculated by dividing the net profit/(loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue and share split. For the purpose of calculating diluted earnings/ (loss) per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

u) Cash dividend

The Group recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

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v) Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

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(All amounts are in rupees million, unless otherwise stated)

3. Property, plant and equipment

Particulars	Gross Block				Depreciation				Net Block	
	As at 1 April 2022	Additions	Disposals/ adjustments	As at 31 March 2023	As at 1 April 2022	Charge for year	Disposals/ adjustments	As at 31 March 2023"	As at 1 April 2022	As at 31 March 2023
Own assets										
Freehold land	273.67	113.76	-	387.43	-	-	-	-	273.67	387.43
Leasehold improvements	3.18	-	-	3.18	0.19	0.34	-	0.53	2.99	2.65
Buildings @	1,442.80	158.91	-	1,601.71	237.80	52.53	-	290.33	1,205.00	1,311.38
Plant and machinery #	3,999.74	366.31	56.06	4,309.99	1,686.10	435.28	44.39	2,076.99	2,313.64	2,233.00
Furniture and fixtures	46.93	5.03	0.12	51.84	24.32	4.66	0.09	28.89	22.61	22.95
Vehicles	127.72	34.99	6.24	156.47	54.74	14.52	3.53	65.73	72.98	90.74
Office equipment	34.74	4.69	0.31	39.12	20.39	4.89	0.27	25.01	14.35	14.11
Computer	26.83	9.63	0.22	36.24	18.41	4.53	0.14	22.80	8.42	13.44
Total	**5,955.61**	**693.32**	**62.95**	**6,585.98**	**2,041.95**	**516.75**	**48.42**	**2,510.28**	**3,913.66**	**4,075.70**

Particulars	Gross block				Depreciation				Net Block	
	As at 1 April 2021	Additions	Disposals/ adjustments	As at 31 March 2022	As at 1 April 2021	Charge for year	Disposals/ adjustments	As at 31 March 2022	As at 1 April 2021	As at 31 March 2022
Own assets										
Freehold land	168.96	104.71	-	273.67	-	-	-	-	168.96	273.67
Leasehold improvements	-	3.18	-	3.18	-	0.19	-	0.19	-	2.99
Buildings @	1,397.40	45.40	-	1,442.80	189.42	48.38	-	237.80	1,207.98	1,205.00
Plant and machinery #	3,248.55	782.85	31.66	3,999.74	1,337.02	374.34	25.26	1,686.10	1,911.53	2,313.64
Furniture and fixtures	44.63	2.30	-	46.93	19.75	4.57	-	24.32	24.88	22.61
Vehicles	111.75	20.65	4.68	127.72	46.66	12.41	4.33	54.74	65.09	72.98
Office equipment	28.19	6.58	0.03	34.74	16.19	4.23	0.03	20.39	12.00	14.35
Computer	21.56	5.50	0.23	26.83	14.88	3.70	0.17	18.41	6.68	8.42
Total	**5,021.04**	**971.17**	**36.60**	**5,955.61**	**1,623.92**	**447.82**	**29.79**	**2,041.95**	**3,397.12**	**3,913.66**

a) Refer note 22 and 26 for charge created on property, plant and equipment.

b) Vehicles includes motor cars having gross block amounting to Rs. 0.03 (31 March 2022 Rs. 0.03) and written down value amounting to Rs. 0.03 (31 March 2022 Rs. 0.03) are pending to be registered in the name of the Group.

c) Refer note 42 C for disclosure of capital commitments for the acquisition of property, plant and equipment.

Plant and machinery includes amount of gross value Rs. 1,782.74 (31 March 2022 Rs. 1,575.80), net value of Rs. 968.95 (31 March 2022 Rs. 919.45) which are partially given under lease arrangement. Also refer note – 32.

@ Buildings includes amount of gross value Rs. 715.04 (31 March 2022 Rs. 565.71), net value of Rs. 605.43 (31 March 2022 Rs. 479.18) which are partially given under lease arrangement. Also refer note – 32.

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(All amounts are in rupees million, unless otherwise stated)

4. Capital work-in-progress

Particulars	As at 1 April 2022	Additions	Capitalised during the year	"As at 31 March 2023"
Capital work-in-progress*	119.42	791.18	423.55	487.05

Particulars	As at 1 April 2021	Additions	Capitalised during the year	As at 31 March 2022
Capital work-in-progress*	552.74	353.55	786.87	119.42

Capital work in progress (CWIP) ageing schedule

As at 31 March 2023

Particulars	Amount in CWIP for a period of				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress					
Rajpura (New biscuit lines)	430.41	-	-	-	430.41
Indore (New biscuit lines)	9.26	0.68	-	0.63	10.57
Misc projects lying at various locations	37.68	0.87	7.44	-	45.99
Projects temporarily suspended	-	-	-	-	-
Total	477.35	1.55	7.44	0.63	487.05

As at 31 March 2022

Particulars	Amount in CWIP for a period of				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress					
Rajpura (New biscuit line)	87.90	-	-	-	87.90
Noida (Sour Dough)	15.13	-	-	-	15.13
Misc projects lying at various locations	8.32	7.44	0.63	-	16.39
Projects temporarily suspended	-	-	-	-	-
Total	111.35	7.44	0.63	-	119.42

Capital work in progress (CWIP) completion schedule

- For capital-work-in progress, whose completion is overdue to its original plan:-

As at 31 March 2022

There is no such capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan.

As at 31 March 2023

Particulars	To be completed in				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress					
Rajpura (Flavour Distribution Unit)#	7.85	-	-	-	7.85
Projects temporarily suspended	-	-	-	-	-
Total	7.85	-	-	-	7.85

The project was delayed due some technical requirements in the machinery, the same will be capitalised in FY 2023-24.

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*Detail of preoperative expenses included in CWIP	As at 31 March 2023	As at 31 March 2022
Opening for the year	4.00	18.09
Additions as per consolidated statement of profit and loss during the year		
- Interest and processing charges @ (Refer note 38)	5.54	20.23
- Bank charges (Refer note 40)	-	0.01
- Power & fuel (Refer note 40)	0.34	1.31
- Rates and taxes (Refer note 40)	6.74	-
- Employee benefits expense (Refer note 37)	3.48	1.55
- Legal & professional expense (Refer note 40)	1.43	0.06
- Insurance (Refer note 40)	0.11	-
- Commission and brokerage (Refer note 40)	1.31	-
- Travelling and conveyance (Refer note 40)	4.11	0.50
- Miscellaneous expenses (Refer note 40)	0.10	1.65
Subtotal	23.16	25.31
Less:- Capitalised to respective property, plant and equipment	3.43	39.40
Closing for the year	23.73	4.00

@ Capitalisation of borrowing costs relates to funds borrowed both specifically and generally to acquire/construct qualifying assets. The capitalisation relating to general borrowings is Rs. 4.42 at 8% (31 March 2022 Rs. 8.70 at 6% to 7%).

5. Right-of-use assets and lease liabilities :

Information about leases for which the Group is a lessee is presented below :

Particulars	Category of Right-of-use assets		
	Leasehold land	Building	Total
Right-of-use assets (ROU Assets)			
Balance as on 1 April 2022	135.51	56.81	192.32
Addition/ reclassification of leases	-	5.24	5.24
Depreciation charge for year	(1.59)	(13.97)	(15.56)
Balance as on 31 March 2023	133.92	48.08	182.00

Particulars	Category of Right-of-use assets		
	Leasehold land	Building	Total
Right-of-use assets (ROU Assets)			
Balance as on 1 April 2021	137.10	4.91	142.01
Addition/ reclassification of leases	-	62.17	62.17
Depreciation charge for year	(1.59)	(10.27)	(11.86)
Balance as on 31 March 2022	135.51	56.81	192.32

The aggregate depreciation expense on ROU assets amounting to Rs. 15.56 (31 March 2022 Rs. 11.86) is included under depreciation and amortisation expense in the consolidated statement of Profit and Loss.

The following is the movement in lease liabilities during the year:

Lease liabilities	As at 31 March 2023	As at 31 March 2022
Balance at the beginning	69.95	15.38
Addition for new leases	5.24	62.17
Accredition of interest (refer note 38)	4.24	3.06
Payment of lease liabilities	(16.32)	(10.66)
Balance at the end	63.11	69.95

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

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	As at 31 March 2023	As at 31 March 2022
Maturity analysis – contractual undiscounted cash flows		
Less than one year	15.33	15.24
After one year but not longer than five years	42.46	44.35
More than five years	81.75	90.45
Total	**139.54**	**150.04**
Lease liabilities included in the statement of financial position		
Current	11.72	11.19
Non- current	51.39	58.76
Total	**63.11**	**69.95**

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The Group has taken various long term leases which typically run for a period of 3 to 99 years with an option to renew the lease after that date. For certain leases, the lease rental is increased every 1 to 3 years. The Group is restricted from entering into any sub-lease agreements.

The Group has taken certain rented premises on lease with contract terms within one year. These leases are short-term in nature and the Group has elected not to recognise right-of-use-assets and lease liabilities for these assets. The Group incurred Rs. 27.68 (31 March 2022 Rs. 22.34) during the year towards expenses relating to short-term leases for which the recognition exemption has been applied (Refer note 40).

The total cash outflow for leases (including short term leases) is Rs. 44.00 (31 March 2022 Rs. 33.00) during the year.

6. Goodwill

Particulars	Gross block				Impairment			Net block	
	As at 1 April 2022	Additions	Deletions	As at 31 March 2023	As at 1 April 2022	Adjustments	As at 31 March 2023	As at 1 April 2022	As at 31 March 2023
Goodwill	3.95	-	-	3.95	-	-	-	3.95	3.95
Total	**3.95**	**-**	**-**	**3.95**	**-**	**-**	**-**	**3.95**	**3.95**

Particulars	Gross block				Impairment			Net block	
	As at 1 April 2021	Additions	Deletions	As at 31 March 2022	As at 1 April 2021	Adjustments	As at 31 March 2022	As at 1 April 2021	As at 31 March 2022
Goodwill	3.95	-	-	3.95	-	-	-	3.95	3.95
Total	**3.95**	**-**	**-**	**3.95**	**-**	**-**	**-**	**3.95**	**3.95**

There has been no impairment loss recognised on goodwill generated on acquisition of Bakebest Foods Private Limited.

For the purpose of impairment testing, goodwill is allocated to the Group's operating divisions which represent the lowest level within the Group at which goodwill is monitored for internal management purposes.

The entire goodwill of Rs. 3.95 has been allocated to the purchase of business of Bakebest Foods Private Limited. The recoverable amount of this CGU is based on fair value less costs to sell, estimated using discounted cash flows. The fair value measurement has been categorised as Level 3 fair value based on the inputs to the valuation technique used.

The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been assigned based on historical data both from external and internal sources.

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Particulars	As at 31 March 2023	As at 31 March 2022
Discount rate	12.40%	12.40%
Terminal value rate	5%	5%
Budgeted EBITDA growth rate	10%	10%

- The discount rate is a post-tax measure estimated based on the historical industry average weighted-average cost of capital.
- The cash flow projections include specific estimates for five years and a terminal growth rate thereafter. The terminal growth rate has been determined based on management's estimate of the long-term compound annual EBITDA growth rate, consistent with the assumptions that a market participant would make.
- Budgeted EBITDA has been estimated taking into account past experience.

7. Other intangible assets

Particulars	Gross block				Amortisation				Net block	
	As at 1 April 2022	Additions	Deletions	As at 31 March 2023	As at 1 April 2022	Charge for year	Deletions	As at 31 March 2023	As at 1 April 2022	As at 31 March 2023
Computer softwares	29.08	-	-	29.08	27.46	0.46	-	27.92	1.62	1.16
Total	**29.08**	**-**	**-**	**29.08**	**27.46**	**0.46**	**-**	**27.92**	**1.62**	**1.16**

Particulars	Gross block				Amortisation				Net block	
	As at 1 April 2021	Additions	Deletions	As at 31 March 2022	As at 1 April 2021	Charge for year	Deletions	As at 31 March 2022	As at 1 April 2021	As at 31 March 2022
Computer softwares	27.56	1.52	-	29.08	27.15	0.31	-	27.46	0.41	1.62
Total	**27.56**	**1.52**	**-**	**29.08**	**27.15**	**0.31**	**-**	**27.46**	**0.41**	**1.62**

8a Equity accounted investment

	As at 31 March 2023	As at 31 March 2022
Investment in associate		
Quoted investment in equity share #		
1,937,268 (31 March 2022: 1,937,268) equity shares of Rs.10/- each fully paid up of Cremica Agro Foods Limited	36.27	39.62
	36.27	**39.62**

Not traded since the date of listing.

	As at 31 March 2023	As at 31 March 2022
Quoted		
Aggregate book value of quoted investments	36.27	39.62
Aggregate market value of quoted investments	*	*
Aggregate amount of impairment in value of investments	**Nil**	**Nil**

Interests in equity accounted investment

Cremica Agro Foods Limited ('CAFL') is an associate of the Group and has a 43.09% ownership interest. The CAFL is principally engaged in food processing. The said Company was incorporated in India on 6 December 1989. The principal place of business is Phillaur.

Notes to consolidated financial statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

Summarised financial information for associate

The following table summarises the financial information of CAFL as included in its own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The table also reconciles the summarised financial information to the carrying amount of the Group's interest in CAFL.

	As at 31 March 2023	As at 31 March 2022
Percentage ownership interest	43.09%	43.09%
Non-current assets	24.14	33.16
Current assets (including cash and cash equivalents – 31 March 2023: 3.82, 31 March 2022: 55.59)	60.88	59.69
Current liabilities (including current financial liabilities – 31 March 2023: 0.59 31 March 2022: 0.58)	(0.85)	(0.91)
Net assets (100%)	84.17	91.94
Group's share of net assets	36.27	39.62
Carrying amount of interest in equity accounted investment	36.27	39.62

Carrying amount of the interest in equity accounted investment

	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue	-	-
Other income	3.16	3.09
Depreciation and amortisation expense	-	0.04
Income tax expense	-	0.32
Profit	(7.78)	0.96
Total comprehensive income (net of tax)	(7.78)	0.96
Group's share of profit	(3.35)	0.41
Group's share of other comprehensive income	-	-
Group's share of total comprehensive income	(3.35)	0.41

No dividend has been received from the associate for the year ended 31 March 2023 and 31 March 2022.

8b Other investment

	For the year ended 31 March 2023	For the year ended 31 March 2022
Unquoted investment in equity share at cost		
480,000 (31 March 2022: 260,000) equity shares of Rs.10/- each fully paid up of Solarstream Renewable Services Private Limited	4.80	2.60
	4.80	2.60

9 Other non-current financial assets

	As at 31 March 2023	As at 31 March 2022
Deposits with maturity of more than 12 months		
- Margin money deposit*	174.32	-
- Deposits with maturity of more than 12 months	138.58	-
Security deposits	46.17	39.11
	359.07	39.11

*Margin money deposits with carrying amount of Rs. 174.32 (31 March 2022 Rs. 0.00) are subject to charge to secure the Group's inland letter of credit and bank guarantees.

Notes to consolidated financial statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

10 Income tax assets (net)

	As at 31 March 2023	As at 31 March 2022
Advance income tax (net of provision for tax)	40.53	41.32
	40.53	**41.32**

11 Other non-current assets

	As at 31 March 2023	As at 31 March 2022
Prepaid expenses	1.74	1.25
Capital advances	180.45	107.75
	182.19	**109.00**

12 Inventories

(valued at the lower of cost and net realisable value)

	As at 31 March 2023	As at 31 March 2022
Raw material and packing material	437.64	489.16
Work-in-progress	0.84	1.46
Finished goods - Manufactured goods (including stock in transit Rs. 112.55 (31 March 2022 Rs. 117.88))*	338.87	264.51
Stores and spares	37.11	31.67
	814.46	**786.80**

*The write-down of inventories to net realisable value during the year amounted to Rs. 0.23 (31 March 2022 Rs. 3.51) and are included in changes in inventories of finished goods and work-in-progress.

13 Current investments

	As at 31 March 2023	As at 31 March 2022
Deposits with financial institution-unquoted		
- 7.60% (31 March 2022 : 5.30%) fixed deposit with Housing Development Finance Corporation Limited	68.95	64.87
	68.95	**64.87**
Unquoted current investments		
Aggregate book value	73.75	67.47
Aggregate market value	Nil	Nil
Aggregate amount of impairment in value of investments	Nil	Nil

14 Trade receivables

(Unsecured, considered good, unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
Trade receivables*	954.16	813.98
Less: Loss allowance**	(50.82)	(64.33)
	903.34	**749.65**
Break-up of trade receivables:		
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	907.08	751.09
Trade receivables which have significant increase in credit risk	27.99	43.49

Notes to consolidated financial statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
Trade receivables – credit impaired	19.40	19.40
Total	**954.47**	**813.98**
Less: Expected credit loss allowance		
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	(3.43)	(1.44)
Trade receivables which have significant increase in credit risk	(27.99)	(43.49)
Trade receivables – credit impaired	(19.40)	(19.40)
Total trade receivables	**903.65**	**749.65**

* The Group exposure to credit and currency risk, and loss allowances related to trade receivables are disclosed in note 49 on financial instruments.

Trade receivable ageing schedule

As at 31 March 2023	Unbilled	Not Due	< 6 months	6 months to 1 year	1 year to 2 years	2 year to 3 years	> 3 years	Total gross receivables	Expected credit loss	Net receivables
Undisputed trade receivable - considered good	23.82	609.57	267.75	5.28	0.35	-	-	906.77	3.43	903.34
Undisputed trade receivable - which have significant increase in credit risk	-	-	-	3.98	6.61	1.28	1.23	13.10	13.10	-
Undisputed trade receivable - credit impaired	-	-	-	1.10	3.91	8.64	5.75	19.40	19.40	-
Disputed trade receivable - considered good	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable - which have significant increase in credit risk	-	-	-	0.10	2.07	3.80	8.92	14.89	14.89	-
Disputed trade receivable - credit impaired	-	-	-	-	-	-	-	-	-	-
Total	**23.82**	**609.57**	**267.75**	**10.46**	**12.94**	**13.72**	**15.90**	**954.16**	**50.82**	**903.34**

As at 31 March 2022	Unbilled	Not Due	< 6 months	6 months to 1 year	1 year to 2 years	2 year to 3 years	> 3 years	Total gross receivables	Expected credit loss	Net receivables
Undisputed trade receivable - considered good	6.33	500.69	242.60	1.47	-	-	-	751.09	1.44	749.65
Undisputed trade receivable - which have significant increase in credit risk	-	-	-	8.12	2.81	2.52	6.62	20.07	20.07	-
Undisputed trade receivable - credit impaired	-	1.10	3.12	0.88	8.95	5.35	-	19.40	19.40	-
Disputed trade receivable - considered good	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable - which have significant increase in credit risk	-	-	-	5.75	7.20	2.57	7.90	23.42	23.42	-
Disputed trade receivable - credit impaired	-	-	-	-	-	-	-	-	-	-
Total	**6.33**	**501.79**	**245.72**	**16.22**	**18.96**	**10.44**	**14.52**	**813.98**	**64.33**	**749.65**

15 Cash and cash equivalents

	As at 31 March 2023	As at 31 March 2022
Balances with banks		
In current account#	88.40	158.61
Cash on hand	1.50	1.31
Deposits with banks for original maturity of less than three months	-	164.81
	89.90	**324.73**

#Includes debit balance of working capital facility availed from HDFC Bank Limited amounting to Rs. 24.77 (31 March 2022 Rs. 127.44) and ICICI Bank Limited amounting to Rs. 44.22 (31 March 2022 Rs. Nil).

Notes to consolidated financial statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

16 Bank balances other than cash and cash equivalents above

	As at 31 March 2023	As at 31 March 2022
Margin money deposit *	62.41	71.17
Deposits due to be matured within 12 months of the reporting date	596.20	434.90
	658.61	**506.07**

*Margin money deposits with carrying amount of Rs. 62.41 (31 March 2022 Rs. 71.17) are subject to charge to secure the Group's inland letter of credit and bank guarantees.

17 Current loans

(Unsecured, considered good)

	As at 31 March 2023	As at 31 March 2022
Loans to employees	4.71	4.82
	4.71	**4.82**

18 Other current financial assets

(unsecured, considered good)

	As at 31 March 2023	As at 31 March 2022
Derivatives		
Forward exchange contracts used for hedging	5.42	9.40
Derivative contract for purchase of wheat not designated as hedges	1.43	-
Export incentive receivable	120.90	133.43
Security deposits	1.18	27.03
Claims receivable on export	9.19	5.02
Interest accrued but not due on fixed deposits with banks	-	2.48
Other advances	1.75	1.02
	140.87	**178.38**

19 Other current assets

	As at 31 March 2023	As at 31 March 2022
Advances recoverable in cash or kind		
-Unsecured and considered good	144.23	81.92
-Consider doubtful	15.75	13.07
Less: Provision for doubtful advances recoverable in cash or kind	(15.75)	(13.07)
Prepaid expenses	20.98	17.62
Right to recover returned goods*	9.66	6.48
Balances with statutory/government authorities	85.10	37.59
	259.97	**143.61**

* Denotes sales with right to return.

Notes to consolidated financial statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

20 Share capital

	As at 31 March 2023	As at 31 March 2022
Authorised		
65,000,000 (As at 31 March 2022: 65,000,000) equity shares of Rs. 10/- each	650.00	650.00
Issued, subscribed and paid-up		
58,817,474 (as at 31 March 2022: 58,815,325) equity shares of Rs. 10/- each	588.17	588.15
	588.17	**588.15**

a. Terms and rights attached to equity shares

(i) The Company has issued one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The equity shareholders are entitled to receive dividend as declared from time to time.

(ii) In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

b. Reconciliation of number of shares outstanding at the beginning and end of the year :

Particulars	Number of Shares	Amount
Outstanding as at 1 April 2021	5,87,46,514	587.47
Share based options exercised during the year	68,811	0.69
Outstanding as at 31 March 2022	**5,88,15,325**	**588.15**
Share based options exercised during the year	2,149	0.02
Outstanding as at 31 March 2023	**5,88,17,474**	**588.17**

c. Details of shareholders holding more than 5% shares in the Company:

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Equity shares of Rs.10 each fully paid				
Anoop Bector	1,25,50,800	21.34%	1,25,50,800	21.34%
Anoop Bector (AB Family Trust)	59,84,462	10.17%	59,55,462	10.13%
Ishaan Bector (IB Family Trust)	47,63,111	8.10%	47,63,111	8.10%
Suvir Bector (SB Family Trust)	47,63,111	8.10%	47,63,111	8.10%
SBI Mutual Fund	46,50,000	7.91%	-	0.00%
GW Crown Pte Limited	-	0.00%	47,12,163	8.01%
Linus Private Limited	-	0.00%	46,13,846	7.84%

d. Promotor Shareholding

Promoter Name	As at 31 March 2023			As at 31 March 2022		
	No. of Shares	% of total shares	% change during the year	No. of Shares	% of total shares	% change during the year
Anoop Bector	1,25,50,800	21.34%	0.00%	1,25,50,800	21.34%	0.00%
Anoop Bector HUF	20,05,970	3.41%	0.00%	20,05,970	3.41%	0.00%
Ishaan Bector	5,100	0.01%	5000.00%	100	0.00%	0.00%
Rashmi Bector	100	0.00%	0.00%	100	0.00%	0.00%
Suvir Bector	5,100	0.01%	5000.00%	100	0.00%	0.00%
Anoop Bector (AB Family Trust)	59,84,462	10.17%	0.49%	59,55,462	10.13%	0.00%
Ishaan Bector (IB Family Trust)	47,63,111	8.10%	0.00%	47,63,111	8.10%	0.00%
Suvir Bector (SB Family Trust)	47,63,111	8.10%	0.00%	47,63,111	8.10%	0.00%
Total	**3,00,77,754**	**51.14%**	**0.13%**	**3,00,38,754**	**51.07%**	**0.00%**

Notes to consolidated financial statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

e. Aggregate number of shares allotted or fully paid up during the last five years immediately preceding balance sheet date pursuant to contract without payment received in cash and/or by way of fully paid bonus shares

	31 March 2023 Numbers of shares	31 March 2022 Numbers of shares	31 March 2021 Numbers of shares	31 March 2020 Numbers of shares	31 March 2019 Numbers of shares	31 March 2018 Numbers of shares
Equity shares allotted as fully paid bonus shares by capitalization of securities premium	-	-	-	-	-	2,86,33,811
	-	-	-	-	-	-

f. Shares reserved for issue under options

Information relating to Company's option plan, including details of options issued, exercised, and lapsed during the year and options outstanding at the end of the reporting year, is set out in note 48.

21 Other equity

		As at 31 March 2023	As at 31 March 2022
a	**Capital reserve**		
	Balance at the beginning of the year	13.17	13.17
	Less: Movement during the year	-	-
	Balance at the end of the year	**13.17**	**13.17**
b	**Securities premium**		
	Balance at the beginning of the year	644.72	628.38
	Add:- Share based options exercised during the year	0.54	16.34
	Balance at the end of the year	**645.26**	**644.72**
c	**Retained earnings**		
	Balance at the beginning of the year	3,424.55	3,059.63
	Add: Profit for the year	900.74	571.43
	Add: Other comprehensive (loss)/ income for the year	(0.55)	8.12
	Less: Dividends	(147.04)	(214.63)
	Balance at the end of the year	**4,177.70**	**3,424.55**
d	**Share options outstanding account**		
	Balance at the beginning of the year	0.30	4.89
	Share based expense	0.03	0.43
	Employee stock option exercised during the year	(0.17)	(5.02)
	Share based option forfeited during the year	(0.16)	-
	Balance at the end of the year	-	**0.30**
e	**General reserve**		
	Balance at the beginning of the year	18.88	18.88
	Less: Movement during the year	-	-
	Balance at the end of the year	**18.88**	**18.88**
	Total	**4,855.01**	**4,101.62**

Nature of reserves

Capital reserve

Capital reserve is on account of the business combination transaction as per the Court Scheme dated 04 July 2014.

Notes to consolidated financial statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

Securities premium

Securities premium account is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

General reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

Retained earnings

Retained earnings comprises of undistributed earnings after taxes.

Other comprehensive income/ (loss)

Remeasurement of defined benefit plans (included in retained earnings)

Remeasurements of defined benefit plans represents the following as per Ind AS 19, employee benefits:

(a) actuarial gains and losses

(b) the return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset); and

(c) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset)

Share options outstanding account

The share options outstanding account is used to recognise the grant date fair value of options issued to employees under the employee stock option scheme.

	As at 31 March 2023	As at 31 March 2022
Dividends		
The following dividends were declared by the Company during the year:		
Interim Dividend - Rs. 1.25 per equity share (31 March 2022: Rs. 1.25)	73.52	73.52
Final Dividend - Rs. 1.75 per equity share (31 March 2022: Rs. 1.25)	102.93	73.52
Total	**176.45**	**147.04**
Dividend paid during the year		
Interim Dividend	73.48	73.52
Final Dividend*	73.45	140.98
Total	**146.93**	**214.50**

* Amount due include dividend remaining unpaid. Refer note 28.

The final dividend paid by the Group during the year, which was declared in the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend. The interim dividend declared and paid by the Holding Company during the year and until the date of this audit report is in accordance with section 123 of the Companies Act 2013. As stated in Note 21 to the financial statements, the Board of Directors of the Group has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

Notes to consolidated financial statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

22 Non-current borrowings

	As at 31 March 2023	As at 31 March 2022
Term loans (Refer note (a))		
From banks (Secured)	1,123.09	1,131.62
Vehicle loans (Refer note (a))		
From banks (Secured)	27.84	13.83
From Others (Secured)	7.63	11.43
Total non-current borrowings	**1,158.56**	**1,156.88**
Less: Current maturities of long term debt	(216.01)	(274.21)
Less: Interest accrued but not due on borrowings	(2.64)	(2.39)
Non-current borrowings	**939.91**	**880.28**

(a) Terms and conditions of outstanding borrowings are as follows:

Particulars	ICICI Bank Limited*	HDFC Bank Limited**	Punjab National Bank***	Vehicle loans****	Interest accrued but not due	Total
Principal amount						
As at 31 March 2023	454.53	454.57	211.42	35.40	2.64	1,158.56
As at 31 March 2022	563.20	566.14	-	25.15	2.39	1,156.88
Year of maturity	2028-29	2027-28	2030-31	2024-25	-	-
Term of repayment	monthly basis	monthly basis	monthly basis	monthly basis	-	-
Nominal Interest rate	6.19% - 8.92%	6.00% - 8.25%	7.55%	6.62% - 9.10%	-	-

* The term loan of ICICI Bank Limited is secured by first pari passu charge on all moveable and immovable fixed assets (PPE) both current and future of the Rajpura, Phillaur and Tahliwal plant. These loans are further secured by first pari passu charge on current assets both present and future of the Rajpura, Phillaur and Tahliwal plant.

** The term loan of HDFC Bank Limited is secured by first charge by way of hypothecation on entire fixed assets (PPE) of the Greater Noida unit. These loans are further secured by way of collateral security of equitable mortgage of factory land measuring 18,720 Sqm situated at 11- A, Udyog Vihar, Greater Noida.

*** The term loan of PNB Bank Limited is secured by first pari passu charge on all moveable and immovable fixed assets (PPE) both current and future of the Rajpura, Phillaur and Tahliwal plant of the Rajpura, Phillaur and Tahliwal plant. These loans are further secured by first pari passu charge on current assets of the Rajpura, Phillaur and Tahliwal plant.

****Vehicle loans taken from banks and others are secured by hypothecation of respective vehicles.

Term Loans

Name of the lender	Penalty Clause	Prepayment
ICICI Bank Limited	Default interest Rates in respect of Domestic term loans : In case of any delay in the repayment of principal installment or payment of interest, charges or other monies due on the facility, default interest rate shall be levied at Documented Rate +2% per annum payable monthly, from the due date till such time the overdue amount is paid. Default interest Rates in respect of International term loans : In case of any delay in the repayment of principal installment or payment of interest, charges or other monies due on the facility, default interest rate shall be levied at Documented Rate + 2% per annum payable monthly, from the due date till such time the overdue amount is paid.	1% of the prepayment amount
Punjab National Bank	Additional/penal interest @ 2% be charged on the default amount over and above the the normal rate of interest.	2% of the prepayment amount

Notes to consolidated financial statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

(b) Net debt reconciliation

The following sections sets out an analysis of net debt and the movements in net debt for each of the year presented:

	As at 31 March 2023	As at 31 March 2022
Cash and cash equivalents	89.90	324.73
Bank balances other than cash and cash equivalents	658.61	506.07
Deposits with maturity of more than 12 months	312.90	-
Lease liabilities (current and non-current)	(63.11)	(69.95)
Current borrowings	(266.99)	(405.20)
Non-current borrowings (excluding interest accured)	(1,155.92)	(1,154.49)
Interest accrued but not due on borrowings	(2.96)	(2.39)
Net debt	**(427.57)**	**(801.23)**

	Financial assets			Liabilities from financing activities				
	Cash and cash equivalents	Bank balances other than cash and cash equivalents	Deposits with maturity of more than 12 months	Non-Current borrowings	Current borrowings	Interest on borrowings	Lease liabilities (current and non-current)	Total
Net debt as at 1 April 2022	**324.73**	**506.07**	**-**	**(1,154.49)**	**(405.20)**	**(2.39)**	**(69.95)**	**(801.23)**
Cash flows	(234.83)	152.54	312.90	(1.43)	138.21	-	16.32	383.71
Interest expense	-	-	-	-	-	(124.88)	(4.24)	(129.12)
Interest paid	-	-	-	-	-	124.31	-	124.31
Other non-cash movements								-
- Acquisitions	-	-	-	-	-	-	(5.24)	(5.24)
Net debt as at 31 March 2023	**89.90**	**658.61**	**312.90**	**(1,155.92)**	**(266.99)**	**(2.96)**	**(63.11)**	**(427.57)**

	Financial assets			Liabilities from financing activities				
	Cash and cash equivalents	Bank balances other than cash and cash equivalents	Deposits with maturity of more than 12 months	Non-Current borrowings	Current borrowings	Interest on borrowings	Lease liabilities (current and non-current)	Total
Net debt as at 1 April 2021	347.35	500.11	0.11	(1,272.46)	(156.68)	(2.07)	(15.38)	(599.02)
Cash flows	(22.62)	5.96	(0.11)	117.97	(248.52)	-	10.66	(136.66)
Interest expense	-	-	-	-	-	(67.74)	(3.06)	(70.80)
Interest paid	-	-	-	-	-	67.42	-	67.42
Other non-cash movements								
- Acquisitions	-	-	-	-	-	-	(62.17)	(62.17)
Net debt as at 31 March 2022	**324.73**	**506.07**	**-**	**(1,154.49)**	**(405.20)**	**(2.39)**	**(69.95)**	**(801.23)**

Notes to consolidated financial statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

23 Provisions

	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits		
Compensated absences (refer note 46)	19.40	18.11
Gratuity (refer note 46)	33.40	47.38
	52.80	**65.49**

24 Income Tax

A. Amounts recognised in profit or loss

	For the year ended 31 March 2023	For the year ended 31 March 2022
Current tax expense		
Current year	309.64	198.84
Tax adjustment for earlier years	(2.46)	(14.71)
	307.18	**184.13**
Deferred tax credit		
Changes in recognised temporary differences	(0.89)	1.68
	(0.89)	**1.68**
Total Tax Expense	306.29	185.81

B. Amounts recognised in Other Comprehensive Income

	For the year ended 31 March 2023			For the year ended 31 March 2022		
	Before tax	Tax Income/ (Expense)	Net of tax	Before tax	Tax Income/ (Expense)	Net of tax
Defined benefit plan	(0.82)	0.20	(0.62)	10.85	(2.73)	8.12
Exchange difference in translating financial statements of foreign operations	0.07	-	0.07	-	-	-
	(0.75)	**0.20**	**(0.55)**	**10.85**	**(2.73)**	**8.12**

C. Reconciliation of effective tax rate

	For the year ended 31 March 2023		For the year ended 31 March 2022	
	Rate	Amount	Rate	Amount
Profit before tax from continuing operations	25.17%	1,207.03	25.17%	757.24
Tax using the Group's domestic tax rate		303.79		190.58
Tax effect of:				
Non-deductible expenses	0.35%	4.28	0.48%	3.62
Changes in estimates related to earlier years	-0.20%	(2.46)	-1.11%	(8.41)
Others	0.06%	0.68	0.00%	0.02
Tax expense	**25.38%**	**306.29**	**24.54%**	**185.81**

D. Movement in deferred tax balances

	As at 1 April 2022	Recognized in P&L	Recognized in OCI	As at 31 March 2023
Deferred Tax Liability				
Property, plant and equipment	186.17	(5.05)	-	181.12
Right-of-use assets	16.74	(2.20)	-	14.54
Sub- Total (a)	**202.91**	**(7.25)**	**-**	**195.66**
Deferred Tax Assets				

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for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

	As at 1 April 2022	Recognized in P&L	Recognized in OCI	As at 31 March 2023
Provisions - employee benefits	32.91	(1.27)	0.20	31.84
Allowances on doubtful receivables	19.48	(2.73)	-	16.75
Carry forward of losses	-	0.40	-	0.40
Deferred income on grants	26.55	(1.71)	-	24.84
Lease liabilities	17.61	(1.73)	-	15.88
Others	7.12	0.68	-	7.80
Sub- Total (b)	**103.67**	**(6.36)**	**0.20**	**97.51**
Deferred tax Liabilities (net) (a)-(b)	**99.24**	**(0.89)**	**(0.20)**	**98.15**

	As at 1 April 2021	Recognized in P&L	Recognized in OCI	As at 31 March 2022
Deferred Tax Liability				
Property, plant and equipment	181.79	4.38	-	186.17
Right-of-use assets	3.68	13.06	-	16.74
Sub- Total (a)	**185.47**	**17.44**	**-**	**202.91**
Deferred Tax Assets				
Provisions - employee benefits	24.04	11.60	(2.73)	32.91
Allowances on doubtful receivables and advances	24.34	(4.86)	-	19.48
Deferred income on grants	31.51	(4.96)	-	26.55
Lease liabilities	3.87	13.74	-	17.61
Others	6.88	0.24	-	7.12
Sub- Total (b)	**90.64**	**15.76**	**(2.73)**	**103.67**
Deferred tax Liabilities (net) (a)-(b)	**94.83**	**1.68**	**2.73**	**99.24**

25 Other non-current liabilities

	For the year ended 31 March 2023	For the year ended 31 March 2022
Deferred income on government grants	81.42	85.33
	81.42	**85.33**

The Group was awarded grants under Export Promotion Capital Goods Scheme (EPCG), Agricultural and Processed Food Products Export Development Authority (APEDA), Technology Upgradation, Establishment, Modernisation of Food Processing Industries under NMFP and Scheme for Cold Chain and Value Addition Infrastructure. The Group has received grant of Rs. 12.97 during the year ended 31 March 2023 under Scheme for Cold Chain and Value Addition Infrastructure. The grants received in earlier years were conditional upon fulfillment of export obligations in case of EPCG purchase of specified plant and machinery in a specified region. The amount received under grants is recognised as deferred income and is being amortised over the useful life of the plant and machinery in proportion in which the related depreciation expense is recognised.

26 Current borrowings

	For the year ended 31 March 2023	For the year ended 31 March 2022
Loans from banks repayable on demand (secured)*	50.98	130.99
Current maturities of long-term debt (refer note 22)	216.01	274.21
	266.99	**405.20**

* The Group has also taken the working capital limits from HDFC Bank Limited which are secured against entire current assets (existing and future) of Noida Unit. The facilities availed from HDFC Bank Limited carries floating rate of interest @ MCLR + 0.30% @ 7.20% per annum (MCLR + 0.30% @ ranging from 7.20% to 8.75% per annum for the year ended 31 March 2022). (Refer Note 15 cash and cash equivalents).

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for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

The Group has also taken the working capital limits from ICICI Bank Limited which are secured by first pari passu charge on all moveable and immovable fixed assets (PPE) both current and future of the Rajpura, Phillaur and Tahliwal plant. These loans are further secured by first pari passu charge on current assets both present and future of the Rajpura, Phillaur and Tahliwal plant. The facilities availed from ICICI Bank Limited carries floating rate of interest @ Repo rate + 3.00% spread ranging from 6.00% to 8.37% per annum (MCLR + 0.60% ranging from 7.50% to 8.75% per annum for the year ended 31 March 2022).

The Group has also taken working capital limits from Axis Bank Limited against fixed deposits. The facilities availed from Axis Bank Limited carries floating rate of interest @ FD rate + 0.05-0.10% @ 5.96% per annum (FD rate + 0.05-0.10% ranging from 3.60% to 5.20% per annum for the year ended 31 March 2022).

Name of the lender	Penalty Clause
ICICI Bank Limited	In event of default, bank is either of facility at liberty to recall all the facility extended to the Group. 1 % (The rate will be over and deemed to be an event of above the interest rate of the default for all other facility facility) on the limit amount for the delayed period will be charged for the Group for the default period.
HDFC Bank Limited	The bank reserves the right to charge an additional 2% per annum interest rate over and above the normal interest rate on the outstanding amount in case of non-submission of renewal documents. Commitment charges @0.50% per annum to be charged on quarterly basis on the entire unutilized portion if average utilization is less than 60%.

27 Trade Payables

	As at 31 March 2023	As at 31 March 2022
Trade payables	103.54	89.50
Total outstanding dues of micro enterprises and small enterprises*	671.23	487.32
Total outstanding dues of creditors other than micro enterprises and small enterprises**	**774.77**	**576.82**

Trade payable ageing schedule

As at 31 March 2023	Unbilled	Not Due	< 1 year	1 year to 2 years	2 year to 3 years	> 3 years	Total
Total outstanding dues of micro and small enterprises	-	64.79	38.71	0.04	-	-	103.54
Total outstanding dues of creditors other than micro and small enterprises	234.34	294.73	140.53	0.79	0.20	0.64	671.23
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-	-	-
Total	**234.34**	**359.52**	**179.24**	**0.83**	**0.20**	**0.64**	**774.77**

As at 31 March 2022	Unbilled	Not Due	< 1 year	1 year to 2 years	2 year to 3 years	> 3 years	Total
Total outstanding dues of micro and small enterprises	-	59.85	29.65	-	-	-	89.50
Total outstanding dues of creditors other than micro and small enterprises	100.33	244.97	140.92	0.46	0.06	0.58	487.32
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-	-	-
Total	**100.33**	**304.82**	**170.57**	**0.46**	**0.06**	**0.58**	**576.82**

* Refer note 45 for disclosures required under MSMED Act.
**Includes dues to related parties (refer note 47)

Notes to consolidated financial statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

28 Other financial liabilities

	As at 31 March 2023	As at 31 March 2022
Interest accrued but not due on borrowings	2.96	2.39
Capital creditors		
Total outstanding dues of micro enterprises and small enterprises*	21.60	8.65
Total outstanding dues of creditors other than micro enterprises and small enterprises	39.11	30.46
Unpaid dividends	0.24	0.13
Security and other trade deposits	57.72	40.68
	121.63	**82.31**

* Refer note 45 for disclosures required under MSMED Act.

29 Other current liabilities

	As at 31 March 2023	As at 31 March 2022
Deferred income		
Government grants (refer note 25)	17.26	20.15
Contract liability		
Advances from customers #	171.72	48.77
Refund liability#	15.82	10.69
Statutory dues payable	28.08	21.37
Employee payable*	169.67	127.85
	402.55	**228.83**

#The amount of Rs. 59.46 (31 March 2022 : 58.78) included in contract liabilities at 31 March 2022 has been recognised as revenue during the year ended 31 March 2023.
*Includes dues to related parties (refer note 47)

30 Provisions

	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits (refer note 46)		
Compensated absences	8.05	4.24
Gratuity	24.00	6.92
Others:		
Provision for litigation (refer note (a))	27.74	26.49
	59.79	**37.65**

a) Provision for litigation*

	As at 31 March 2023	As at 31 March 2022
Balance at the commencement of the year	26.49	25.14
Add: Provision made during the year	1.41	1.73
Less: Provision utilised/reversed during the year	(0.16)	(0.38)
Balance at the end of the year	**27.74**	**26.49**

*refer note 42A(c) for details of pending litigation

Notes to consolidated financial statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

31 Current tax liabilities (net)

	As at 31 March 2023	As at 31 March 2022
Income tax (net of advance tax)	9.23	0.68
	9.23	**0.68**

32 Revenue from operations

	For the year ended 31 March 2023	For the year ended 31 March 2022
Sale of products	12,713.79	9,035.12
Sale of services*		
Job work income	543.73	490.27
Total (A)	**13,257.52**	**9,525.39**
Other operating revenue		
Export incentives #	133.50	136.26
Income from lease rentals*	68.71	79.61
Sale of scrap	89.89	68.20
Others	71.77	72.27
Total (B)	**363.87**	**356.34**
Total revenue from operations (A + B)	**13,621.39**	**9,881.73**

a. Reconciliation of revenue recognized with the contracted price is as follows:

	As at 31 March 2023	As at 31 March 2022
Contracted price	13,983.57	9,976.33
Reductions towards variable consideration components (discounts, rebates and others)	726.05	450.94
Revenue recognised	**13,257.52**	**9,525.39**

b. Contract Balance

The contract liabilities primarily relate to the advance consideration received from customers for which revenue is recognized when the performance obligation is over/ sale of goods. Advance collection is recognised when payment is received before the related performance obligation is satisfied. This includes advances received from the customer towards sale of goods. Revenue is recognised once the performance obligation is met i.e. on sale of goods.

	As at 31 March 2023	As at 31 March 2022
Contract liabilities		
- Advances from customers	171.72	48.77
- Refund liability	15.82	10.69
Contract Assets		
- Receivables, which are included in trade receivables	79.66	62.27

Note: Considering the nature of business of the Group, the above contract liabilities are generally materialised as revenue and contract assets are converted into cash/trade receivables within the same operating cycle.

c. Timing of revenue recognition

	As at 31 March 2023	As at 31 March 2022
Revenue transferred at point in time	12,713.79	9,035.12
Revenue transferred over time	543.73	490.27
	13,257.52	**9,525.39**

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(All amounts are in rupees million, unless otherwise stated)

The Group has accrued following export incentives of Rs. 133.50 (31 March 2022 Rs. 136.26).
a) Incentive under Merchandise Exports from India Scheme of Rs. Nil (31 March 2022 Rs. 0.94)
b) Duty Free Import Authorization of Rs. 133.50 (31 March 2022 Rs. 113.79)
c) Incentive under Transport and Market Assistance Scheme of Rs. Nil (31 March 2022 Rs. 21.53
* Also refer note 44

33 Other income

	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest income from financial assets at amortized cost	41.51	36.30
Interest income from others	0.97	0.95
Net gain on account of foreign exchange fluctuations	51.89	-
Government grants (refer note 25)	19.78	19.70
Net profit on sale/write off of property, plant and equipment	2.75	4.73
Other miscellaneous income *	3.33	1.08
	120.23	**62.76**

* Also refer note 44

34 Cost of materials consumed

	For the year ended 31 March 2023	For the year ended 31 March 2022
Raw materials (including purchased components and packing material consumed)		
Opening inventories	489.16	275.20
Add: Purchases (net)	7,325.26	5,574.27
Less: Closing inventories	437.64	489.16
	7,376.78	**5,360.31**

35 Purchase of stock-in-trade

	For the year ended 31 March 2023	For the year ended 31 March 2022
Purchase of stock-in-trade	237.84	155.85
	237.84	**155.85**

36 Changes in inventories of finished goods, stock-in- trade and work-in-progress

	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening inventories		
Finished goods	264.51	259.58
Work-in-progress	1.46	1.41
Total (A)	**265.97**	**260.99**
Closing inventories		
Finished goods	338.87	264.51
Work-in-progress	0.84	1.46
Total (B)	**339.71**	**265.97**
Total (A-B)	**(73.74)**	**(4.98)**

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for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

37 Employee benefits expense

	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries and wages	1,522.00	1,278.92
Contribution to provident and other funds (refer note 46)	70.08	66.66
Share-based payment to employees (refer note 48)	(0.13)	0.43
Staff welfare expenses	37.97	31.71
	1,629.92	**1,377.72**

38 Finance costs *

	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest expense on financial liabilities measured at amortised cost :		
Loan from banks	78.83	57.47
Lease liabilities (refer note 5)	4.24	3.06
Others	46.05	10.27
	129.12	**70.80**

* Also refer note 4.

39 Depreciation and amotisation expense

	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation on property, plant and equipment	516.75	447.82
Depreciation on right-of-use assets (refer note 5)	15.56	11.86
Amortisation on other intangible assets	0.46	0.31
	532.77	**459.99**

40 Other expenses

	For the year ended 31 March 2023	For the year ended 31 March 2022
Rent (refer note 5 and note 44)	27.68	22.34
Rates and taxes #	22.16	10.47
Power and fuel #	664.52	485.49
Repair and maintenance:	-	-
Plant and machinery	67.62	54.63
Buildings	6.84	11.89
Others	8.66	7.28
Job work charges	20.39	-
Travelling and conveyance #	136.35	81.00
Payment to auditor (refer note (a) below)	9.73	7.26
Legal and professional fees #	32.30	24.05
Printing and stationery	5.88	4.36
Advertisement and sales promotion	221.72	73.37
Consumption of stores and spare parts	55.67	50.60
Commission and brokerage #	6.26	6.63
Communication costs	11.18	9.62
Directors' remuneration and sitting fees	99.30	72.57
Freight and forwarding	1,197.82	779.99

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for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

	For the year ended 31 March 2023	For the year ended 31 March 2022
Insurance #	26.21	25.40
Allowances on trade receivable and other advances	7.68	0.92
Bank charges #	3.41	2.95
Expenditure on Corporate social responsibility (refer note 53)	15.35	13.98
Miscellaneous expenses #	51.82	23.17
	2,698.55	1,767.97
(a) Payment to auditors		
As auditor		
Statutory audit	6.61	5.02
Limited review	1.72	1.72
Certification	0.70	0.15
Reimbursement of expenses	0.70	0.37
	9.73	7.26

Also refer note 4

41 Earning per share (EPS)

		For the year ended 31 March 2023	For the year ended 31 March 2022
A.	**Basic earnings per share**		
i.	Profit for basic earning per share of Rs. 10 each		
	Profit for year	900.74	571.43
ii.	Weighted average number of equity shares for (basic)		
	Balance at the beginning of the year	58.82	58.75
	Effect of issue of ESOP shares	-	0.05
		58.82	58.80
	Basic Earnings per share (face value of Rs 10 each)	15.31	9.72
B.	**Diluted earnings per share**		
i.	Profit for diluted earning per share of Rs. 10 each		
	Profit for year	900.74	571.43
ii.	Weighted average number of equity shares for (diluted)		
	Balance at the beginning of the year	58.82	58.75
	Effect of issue of ESOP shares	-	0.05
	Effect of employee stock options	-	0.00
		58.82	58.80
	Diluted Earnings per share (face value of Rs. 10 each)	15.31	9.72

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for the year ended 31 March 2023

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42 Contingent liabilities, contingent assets and commitments

A. Contingent Liabilities

On the basis of current status of below-mentioned individual cases and as per legal advice obtained by the Group, wherever applicable, the Group is confident that the outcome in the below cases would be in the favour of the Group and is of view that no provision is required in respect of these cases.

	As at 31 March 2023	As at 31 March 2022
a. Claims against the Group not acknowledged as debts (The Group expects a favourable outcome against all the cases):		
I) Income Tax related matters	**38.10**	**38.10**
i) Relating to Income tax demand on certain disallowance for AY 2010-11*	**0.00**	0.00
ii) Relating to Income tax demand on certain disallowance for AY 2011-12	**0.13**	0.13
iii) Relating to Income tax demand on certain disallowance for AY 2013-14	**1.83**	1.83
iv) Relating to Income tax demand on certain disallowance for AY 2015-16	**0.18**	0.18
v) Relating to Income tax demand on certain disallowance for AY 2017-18	**28.89**	28.89
vi) Relating to Income tax demand on certain disallowance for AY 2018-19	**7.07**	7.07
*The total amount of income tax demand in absolute value is Rs. 4,238, but for reporting purpose rounded upto Rs. 0.00 million.		
II) Sales tax related matters		
i) Sales Tax demand for assessment year 2005-06 on account of Input Tax Credit not reversed against branch transfer and benefit of deferred payment of tax on CST sales in the state of Himachal Pradesh	**3.01**	3.01
ii) Sales Tax demand for assessment year 2006-07 on account of Input Tax Credit not reversed against branch transfer and benefit of deferred payment of tax on CST sales in the state of Himachal Pradesh	**4.83**	4.83
III) Civil matters		
i) Stamp duty case for the plot taken on 99 years lease in Noida	**9.10**	9.10
b. Others		
Differential amount of Customs Duty payable by the Group in case of non fulfilment of export obligation against the import of capital goods made at concessional rate of duty. Based on the past sales performance and the future sales plan, management is quite hopeful to meet out the obligations by executing the required volume of exports in future.	**5.57**	11.13
Customs Duty saved against Bonded Manufacturing Scheme (MOOWR scheme) on import of capital goods. The Company has submitted bonds to government of Rs. 308.90 million (previous year - Rs. 308.90 million) which represents three times of duty saved. Duty will be payable in case of domestic sale of capital goods. Based on Company's assessment of use of capital goods, management is quite hopeful that liability will not arise for the same.	**102.83**	102.83
Impact of bonus due to restrospective amendment in the Payment of Bonus Act, 1965 for the financial year 2014-15 since matter is sub-judice in similar case	**10.48**	10.48

The Group had entered into lease agreement with M.P Audyogik Kendra Vikas Nigam Indore Ltd (authorities) on 12 Feb 2018 for lease of land in Industrial Park, District Dhar (M.P), possession for which was received by the Company on 21 March 2018. As per MP Industrial Development Corporation Limited "MPIDC" policy, commercial production was required to be started within four years from the date of possession. Due to Covid 19 and major economic disruption, the Group had initially filed an extension letter on 10 February 2022 stating its intention to commence commercial production from 1 April 2024. Subsequent to the year end and basis discussion the MPIDC officials, Group has filed a fresh extension letter on 24 May 2022 wherein it has now proposed to commence construction of the boundary wall in August 2022 and to commence commercial production from December 2023. The Board of Directors in its meeting held on 28 May 2022 have approved the aforesaid revised plan for construction of the manufacturing facility. During the current year, the Grouph as filed a common application form with MPIDC which included details of proposed investment and proposed date of operation as 30 April 2024 which has been accepted by MPIDC vide its letter dated 18 October 2022 basis which the construction work has commenced.

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The Group had deposited Rs. 3.00 million under protest as a result of search proceeding performed by Superintendent CGST, Gautam Budh Nagar in which it was alleged that Kulcha and Buns should be subject to Goods and Services Tax. The Group has taken a legal opinion basis which it does not expect any liability to arise in this matter and will be making application for refund of amount paid under protest in near term.

c. Other pending litigations

(a) The Group had obtained a stay against Punjab VAT Act levying entry tax on Furnace Oil on the basis of High Court judgment delivered on the same point in an another case which is pending before Supreme Court. The estimated amount of tax and interest thereon upto 31 March 2023 of Rs. 5.13 (31 March 2022 Rs. 4.83) (including interest of Rs. 3.74 (31 March 2022 Rs. 3.44)) has been provided in the books of accounts.

(b) A demand of Rs. 2.37 and Rs. 3.75 related with FY 2008-09 and FY 2009-10 respectively is pending with DETC, Ludhiana. The matter is related with input tax credit claimed by assesse on purchase of HSD. The Group has demanded to start the proceeding without depositing the 25% of amount demanded. The department has rejected the appeal of the Group. The Group filed the writ petition in High Court which accepted the contention of assessee & remanded the case back to DETC, Ludhiana. The Group had created the provision in books for amount demanded and has also accrued the interest @ 1.5% per month. Therefore the provision for an amount of Rs. 6.63 (31 March 2022 Rs. 6.20) and Rs. 11.13 (31 March 2022 Rs. 10.45) includes an interest of Rs. 4.26 (31 March 2022 Rs. 3.83) and Rs. 7.38 (31 March 2022 Rs. 6.70) respectively.

(c) A demand of Rs. 1.91 (31 March 2022 Rs. 1.91), 1.60 (31 March 2022 Rs. 1.60), 0.09 (31 March 2022 Rs. 0.09) and 0.16 (31 March 2022 Rs. 0.16) for assessment year 2013-14, 2014-15, 2016-17 and 2017-18 respectively on account of pending C forms and F forms raised by Deputy Commissioner, Gautam Budh Nagar Noida, Uttar Pradesh pending to be deposited with the sales tax department has been provided for in the books of accounts.

(d) A demand of Rs. 0.12 (31 March 2022 Rs. 0.12), 0.82 (31 March 2022 Rs. 0.82) and 0.15 (31 March 2022 Rs. 0.15) for assessment year 2011-12, 2012-13 and 2013-14 respectively on account of pending C forms and F forms raised by VAT Officer, Delhi pending to be deposited with the sales tax department has been provided for in the books of accounts.

d. Pursuant to recent judgement by the Hon'ble Supreme Court dated 28 February 2019, it was held that basic wages, for the purpose of provident fund, to include special allowances which are common for all employees. However, there is uncertainty with respect to the applicability of the judgement and year from which the same applies. The Group has assessed that there was no impact of the same for current year since providend fund was already deducted on such special allowance for current year.

Owing to the aforesaid uncertainty and pending clarification from the authorities in this regard, the Group had not recognised any provision for the periods prior to 28 February 2019. Further, management also believes that the impact of the same on the Group will not be material.

B. Contingent Assets

The Group does not have any contingent assets as on 31 March 2023 (Rs. 35.07 as on 31 March 2022).

C. Commitments

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for Rs. 276.84 (as on 31 March 2022 Rs. 131.47).

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43 Segment reporting

Basis for segmentation

Segment information is presented in respect of the Group's key operating segments. The operating segments are based on the Group's management and internal reporting structure.

Operating Segments

The Group's Board of directors have been identified as the Chief Operating Decision Maker ('CODM'), since they are responsible for all major decisions with respect to the preparation and execution of business plan, preparation of budget, planning, alliance, merger and acquisition, and expansion of any new facility.

In the opinion of the Board, there is only one reportable segment ("Revenue from food products"). Accordingly, no separate disclosure for segment reporting is required to be made in the consolidated financial statements of the Group.

Entity wide disclosures

A. Information about products and services

i) Revenue comprises :	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from food products*	13,257.52	9,525.39
Total	**13,257.52**	**9,525.39**

*excludes other operating revenues.

B. Information about geographical areas

The geographical information analyses the Group's revenues by the Group's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographic location of customers. The following is the distribution of the Group's consolidated revenues and receivables by geographical market, regardless of where the goods were produced:

i) Revenue from external customers:	For the year ended 31 March 2023	For the year ended 31 March 2022
Within India	9,664.26	7,146.18
Outside India	3,593.26	2,379.21
Total	**13,257.52**	**9,525.39**

ii) Receivables	For the year ended 31 March 2023	For the year ended 31 March 2022
Within India	590.82	476.16
Outside India	312.52	273.49
Total	**903.34**	**749.65**

iii) Non-current assets

The Group has common non-current assets for producing goods/ providing services to domestic and overseas markets. Hence, separate figures for other assets/ additions to property plants and equipment have not been furnished.

C. Information about major customers (from external customers)

During the year ended 31 March 2023, Group does not have transactions with any single external customer having 10% or more of its revenue. (Rs. Nil for the year ended 31 March 2022).

D. Disaggregation of revenue

In the following table, revenue is disaggregated by major products/service lines and timing of revenue recognition.

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Contract	For the year ended 31 March 2023	For the year ended 31 March 2022
6 months or less	13,257.52	9,525.39
Total	**13,257.52**	**9,525.39**
Major product/ service line		
Sale of products	12,713.79	9,035.12
Sale of services		
Job work income	543.73	490.27
Total revenue	**13,257.52**	**9,525.39**

E. Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers

Duration	As at 31 March 2023	As at 31 March 2022
Receivables, which are included in trade receivables	79.66	62.27
Contract liabilities	171.72	48.77
Refund liability	15.82	10.69

44 Leases

A. Leases as lessee:

a) The Group has taken various residential, office, warehouse and shop premises under lease agreements.

b) The aggregate lease rentals payable are disclosed in note 5 and note 40.

i. Leases as lessor

Operating lease

The Group has leased out a part of its building, plant and machinery under a job work arrangement. In addition, certain office premises have also been leased out. All these arrangements are under short term cancelable operating leases of less than 12 months.

Amounts recognised in profit or loss

During the year ended 31 March 2023, lease rentals of Rs. 68.77 (31 March 2022: Rs. 79.74) have been included in other operating revenue / other income (refer note 32 and 33). There is a contingency attached to the future lease income and are therefore can not be ascertained.

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Income generated from lease of building, plant and machinery under job work arrangement	68.71	79.61
Income generated from office premises lease	0.06	0.13

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The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondences with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of amounts payable to such enterprises as at year end has been made in the consolidated financial statements based on information available with the Group as under:

	As at 31 March 2023	As at 31 March 2022
Principal amount remaining unpaid to any supplier as at the end of the year		
Trade payables	102.53	88.65

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	As at 31 March 2023	As at 31 March 2022
Capital creditors	16.96	4.45
Interest due thereon remaining unpaid to any supplier as at the end of the year		
Trade payables	1.01	0.85
Capital creditors	4.64	4.20
The amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
The amount of interest due and payable for year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
The amount of interest accrued and remaining unpaid at the end of the year		
Trade payables	1.01	0.85
Capital creditors	4.64	4.20
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.		
Trade payables	1.01	0.85
Capital creditors	4.64	4.20

46 Employee benefits

The Group contributes to the following post-employment defined benefit plans.

(i) Defined Contribution Plans:

Provident fund

The Group makes contribution towards provident fund for employees. The Group's contribution to the Employees Provident Fund is deposited to the government under the Employees Provident Fund and Miscellaneous Provisions Act, 1952. The contribution payable to the plan by the Group is at the rate specified under the Employees Provident Fund and Miscellaneous Provisions Act, 1952.

During the year, the Group has recognised the following amounts in the consolidated Statement of Profit and Loss (included in note 37 - Employee benefits expense):

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Contribution to provident fund	60.10	56.08

(ii) Defined Benefit Plan:

Gratuity

The Group operates a post-employment defined benefit plan for Gratuity. This plan entitles an employee to receive half month's salary for each year of completed service at the time of retirement/exit. This scheme is funded by the plan assets.

The Parent Company employee's gratuity fund scheme is managed by Life Insurance Corporation of India and State Bank of India Life Insurance. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of 6 months subject to no ceiling. Vesting occurs upon completion of 5 years of service. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognize each year of service as giving rise to additional employee benefit entitlement and measures each unit separately to build up the final obligation."

Notes to consolidated financial statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at 31 March 2023 and 31 March 2022. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

A. Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Group's consolidated financial statements as at balance sheet date:

	As at 31 March 2023	As at 31 March 2022
Net defined benefit liability		
Liability for Gratuity	57.40	54.30
Total employee benefit liabilities	**57.40**	**54.30**
Non-current	33.40	47.38
Current	24.00	6.92

B. Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (assets)/ liability and its components:

Particulars	For the year ended 31 March 2023		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability
Balance as at 1 April 2022	122.40	68.10	54.30
Included in Profit or loss			
Current service cost	16.49	-	16.49
Interest cost (income)	8.84	4.92	3.92
	25.33	**4.92**	**20.41**
Included in OCI			
Remeasurements loss (gain)			
- financial assumptions	(2.16)	(0.22)	(1.94)
- demographic adjustments	(0.26)	-	(0.26)
- experience adjustment	3.02	-	3.02
	0.60	**(0.22)**	**0.82**
Other			
Return			
Contributions paid by the employer	-	5.37	(5.37)
Benefits paid	(13.50)	(0.18)	(13.32)
	(13.50)	**5.19**	**(18.69)**
Balance as at 31 March 2023	**134.83**	**77.99**	**56.84**

Particulars	For the year ended 31 March 2022		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability
Balance as at 1 April 2021	116.76	60.38	56.38
Included in Profit or loss			
Current service cost	17.47	-	17.47
Interest cost (income)	7.94	4.11	3.83
Past service cost	-	-	-
	25.41	**4.11**	**21.30**
Included in OCI			
Remeasurements loss (gain)			
- financial assumptions	(6.21)	(0.95)	(5.26)
- demographic adjustments	-	-	-

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for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

Particulars	For the year ended 31 March 2022		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability
- experience adjustment	(5.59)	-	(5.59)
	(11.80)	**(0.95)**	**(10.85)**
Other			
Return			
Contributions paid by the employer	-	5.40	(5.40)
Benefits paid	(7.97)	(0.84)	(7.13)
	(7.97)	**4.56**	**(12.53)**
Balance as at 31 March 2022	**122.40**	**68.10**	**54.30**

C. Plan assets

Plan assets comprise of the following	As at 31 March 2023	As at 31 March 2022
Investments with Life insurance corporation	86.73%	85.85%
Investments with SBI life insurance	13.27%	14.15%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion, business plan, HR policy and other relevant factors on long term basis as provided in relevant accounting standard.

The overall expected rate of return on assets is determined based on the actual rate of return during the current year.

On an annual basis, an asset-liability matching study is done by the Group whereby the Group contributes the net increase in the actuarial liability to the plan manager in order to manage the liability risk.

D. Actuarial assumptions

a) Economic assumptions

The following were the principal actuarial assumptions at the reporting date. The discount rate is generally based upon the market yields available on Government bonds at the accounting date relevant to currency of benefit payments for a term that matches the liabilities. Salary growth rate is Group's long term best estimate as to salary increases & takes account of inflation, seniority, promotion, business plan, HR policy and other relevant factors on long term basis as provided in relevant accounting standard. These valuation assumptions are as follows:-

	As at 31 March 2023	As at 31 March 2022
Discount rate	7.36%	7.22%
Expected rate of future salary increase	7.00%	7.00%

b) Demographic assumptions

Attrition rates are the Group's best estimate of employee turnover in future determined considering factors such as nature of business & industry, retention policy, demand & supply in employment market, standing of the Group , business plan, HR Policy etc as provided in the relevant accounting standard. Attrition rates as given below have been received as input from the Group.

Plan assets comprise of the following		As at 31 March 2023	As at 31 March 2022
i)	Retirement age (years)	60	60
ii)	Mortality rates inclusive of provision for disability	100% of IALM (2012 - 14)	
iii)	Attrition at Ages	Withdrawal rate (%)	Withdrawal rate (%)
	Upto 30 years	20.00%	3.00%
	From 31 to 44 years	15.00%	2.00%
	Above 44 years	13.00%	1.00%

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E. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	As at 31 March 2023		As at31 March 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)	(3.32)	3.50	(7.03)	7.70
Expected rate of future salary increase (0.50% movement)	3.36	(3.23)	7.48	(6.89)

Senstivities due to mortality and withdrawals are not material and hence impact of change not calculated.

Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable.

F. Expected maturity analysis of the defined benefit plans in future years

Particulars	As at 31 March 2023	As at 31 March 2022
Duration of defined benefit payments		
Less than 1 year	23.44	6.92
Between 1-2 years	15.66	4.51
Between 2-5 years	38.52	14.34
Over 5 years	57.21	96.63
Total	**134.83**	**122.40**

The weighted average duration of the defined benefit plan obligation at the end of the reporting year is 5.63 years (31 March 2022: 17.42 years).

Expected contribution to post-employment benefit plans in the next year is Rs. 23.31 (31 March 2022: Rs. 26.08).

G. Description of Risk Exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Group is exposed to various risks as follow -

a) **Salary Increases-** Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

b) **Investment Risk –** If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

c) **Discount Rate:** Reduction in discount rate in subsequent valuations can increase the plan's liability.

d) **Mortality & disability –** Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

e) **Withdrawals –** Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

(iii) Other long-term employee benefits:

The Group provides for compensated absences to its employees. The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service years or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the year in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such year, the benefit is classified as a long-term employee benefit. During the year ended 31 March 2023, the Group has incurred an expense on compensated absences amounting to Rs. 12.51 (31 March 2022 Rs. 6.13). The Group determines the expense for compensated absences basis the actuarial valuation of the present value of the obligation, using the Projected Unit Credit Method.

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47 Related parties

A. Related parties and nature of relationship where control exists

Associate

Cremica Agro Foods Limited

CSR Trust

Mrs. Bector Foundation

B. Key Managerial Personnel (KMP)

Anoop Bector	Managing Director
Ishaan Bector	Director
Suvir Bector	Director w.e.f. 1 April 2021
Manu Talwar	CEO w.e.f. 2 May 2022
Parveen Kumar Goel	Executive Director and CFO
Subhash Agarwal	Independent Director till 9 February 2023
Rajeev Dewan	Independent Director
Rahul Goswamy	Nominee Director till 5 October 2021
Pooja Luthra	Independent Director
Alok Kumar Misra	Independent Director w.e.f. 11 February 2022
Ashish Agarwal	Independent Director w.e.f. 10 February 2023
Atul Sud	Company Secretary

C. Relatives of key management personnel having transactions with the Group

Relation	Anoop Bector	Ishaan Bector	Suvir Bector
Father	Dharamvir Bector *	Anoop Bector	Anoop Bector
Mother	Rajni Bector	Rashmi Bector	Rashmi Bector
Spouse	Rashmi Bector	Neha Gupta Bector	Mannat Jain Bector
Brother	Akshay Bector #	Suvir Bector	Ishaan Bector
	Ajay Bector #		
Son	Ishaan Bector	-	-
	Suvir Bector	-	-

* Deceased on 26 December 2017.

\# Ceased to be related party w.e.f 8 December 2015 and 25 December 2014 respectively.

D. Related entities of KMP

Partnership firms

Sunshine Foods

Sunshine Foods

Mrs. Bectors Cremica Dairies Private Limited

Hindu Undivided Family

Dharamvir and Sons (HUF)

Anoop Bector (HUF)

Parveen Goel (HUF)

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Trust

Anoop Bector (AB Family Trust)

Ishaan Bector (IB Family Trust)

Suvir Bector (SB Family Trust)

E. Key management personnel compensation

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Short-term employee benefits	129.14	83.36
Post-employment defined benefit	2.46	0.79
Director sitting fees	0.58	0.40
Total compensation	**132.18**	**84.55**

F. Transactions with related parties*

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over those entities. A number of these entities transacted with the Group during the reporting year. The terms and conditions of the transactions with key management personnel and their related parties were no more favourable than those available, or those which might reasonably be expected to be available, in respect of similar transactions with non-key management personnel related entities on an arm's length basis. The aggregate value of the Group's transactions relating to key management personnel and entities over which they have control or significant influence is as follows:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Employee stock option exercised		
- Parveen Kumar Goel	-	0.73
Others		
Rent paid		
- Anoop Bector	4.62	4.62
- Anoop Bector HUF	1.25	3.00
Rent received		
- Cremica Agro Foods Limited	0.06	0.06
Contribution to provident and other funds		
- Rashmi Bector	1.25	1.04
- Neha Gupta Bector	0.65	0.32
- Mannat Jain Bector	0.32	0.04
- Atul Sud	0.02	0.02
Dividend paid		
- Anoop Bector	31.38	45.81
- Anoop Bector HUF	5.01	7.32
- Ishaan Bector	0.01	0.00
- Rashmi Bector	0.00	0.00
- Suvir Bector	0.01	0.00
- Anoop Bector (AB Family Trust)	14.96	21.74
- Ishaan Bector (IB Family Trust)	11.91	17.39
- Suvir Bector (SB Family Trust)	11.91	17.39
- Parveen Kumar Goel	0.04	0.06
- Ashish Agarwal	0.00	-
Consultancy charges paid		
- Subhash Agarwal	0.22	-

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Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Amount paid for CSR expenditure		
- Mrs. Bector Foundation	-	11.67
Salary paid		
- Rashmi Bector	15.24	9.24
- Rajni Bector	3.60	3.60
- Neha Gupta Bector	5.40	5.40
- Mannat Jain Bector	2.68	0.37
- Atul Sud	1.25	1.19

* Transactions are net off goods and services tax wherever applicable.

G. Related party balances as at year end:

Outstanding balances	As at 31 March 2023	As at 31 March 2022
Trade and other payables		
- Anoop Bector	2.29	1.26
- Anoop Bector HUF	-	0.90
- Ishaan Bector	1.47	0.80
- Parveen Kumar Goel	0.41	0.60
- Mannat Jain Bector	0.28	0.20
- Rashmi Bector	1.09	0.51
- Neha Gupta Bector	0.27	0.20
- Suvir Bector	1.10	0.58
- Rajni Bector	0.15	0.20
- Ram Sajeevan Verma	0.23	0.17
- Subhash Agarwal	-	0.02
- Ashish Agarwal	0.02	-
- Rajeev Dewan	0.02	0.02
- Alok Kumar Misra	0.02	-
- Pooja Luthra	0.02	0.02
- Manu Talwar	0.40	-
- Atul Sud	0.09	0.07
Non current investments		
- Cremica Agro Foods Limited	36.27	39.62

In the opinion of the management, all transactions were made on normal commercial terms and conditions and at arm's length price.

48 Share-based payment to employees

A. Description of share-based based payment to employees

i. Share option programme (equity-settled)

On 31 December 2017, the Holding Company established share option programme that entitle certain employees of the Holding Company to purchase shares in the Holding Company. Under these plans, holders of vested options are entitled to purchase shares at the exercise price of the shares at respective date of grant of options. The key terms and conditions related to the grants under these plans are as follows; all options are to be settled by the delivery of shares.

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ESOP schemes	Grant Date	No. of Options	Exercise Price	Vesting year	Vesting conditions
Employees Stock Option Plan - 2017 (Grant 1)	30-Jun-2017	42,951	349.24	2 years and 9 months service from grant date	Service conditions
Employees Stock Option Plan - 2017 (Grant 2)	30-Jun-2017	27,920	349.24	3 years and 9 months service from grant date	Service conditions

On 14 July 2017, the Holding Company modified share option programme by entitling grant holders of the Holding Company for bonus shares in the Holding Company in the ratio of 1:1.

ESOP schemes	Grant Date	No. of Options	Exercise Price	Vesting year	Vesting conditions
Employees Stock Option Plan - 2017 (Grant 1)	30-Jun-2017	85,902	174.62	2 years and 9 months service from grant date	Service conditions
Employees Stock Option Plan - 2017 (Grant 2)	30-Jun-2017	55,840	174.62	3 years and 9 months service from grant date	Service conditions

ESOP schemes	Grant Date	No. of Options	Exercise Price	Vesting year	Vesting conditions
Employees Stock Option Plan - 2017 (Grant 3)	1-Oct-2018	34,359	174.62	2 years and 6 months service from grant date	Service conditions

ESOP schemes	Grant Date	No. of Options	Exercise Price	Vesting year	Vesting conditions
Employees Stock Option Plan - 2017 (Grant 4)	19-Sep-2020	11,454	174.62	1 year and 8 months service from grant date	Service conditions

B. Measurement of fair values

i. Equity-settled share-based based payment to employees

The fair value of options and the inputs used in the measurement of the grant date fair values of the equity-settled share based payment plans are as follows:

	Employees Stock Option Plan - 2017 (Grant 1)	Employees Stock Option Plan - 2017 (Grant 2)	Employees Stock Option Plan - 2017 (Grant 3)	Employees Stock Option Plan - 2017 (Grant 4)
Fair value of options at grant date	124.01	143.94	75.12	71.62
Enterprise value per share ar grant date	347.08	347.08	190.00	203.55
Exercise price at the grant date	349.24	349.24	174.62	174.62
Exercise price after bonus issue	174.62	174.62	174.62	174.62
Expected volatility (weighted-average)	34.11%	34.56%	27.12%	51.49%
Expected life (weighted-average)	2 years	3 years	2 years	2 years
Expected dividends	0.27%	0.27%	0.00%	0.37%
Risk-free interest rate (based on government bonds)	6.36%	6.44%	8.02%	4.48%

Note

1. The fair value of options has been done by an independent merchant banker on the date of grant using the Black-Scholes Model.
2. Expected volatility has been based on an evaluation of the historical volatility of the Company's share price, particularly over the historical period commensurate with the expected term.

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C. Reconciliation of outstanding share options

The number and weighted-average exercise prices of share options under the share option programme were as follows:

	Number of options	Weighted average exercise price	Number of options	"Weighted average exercise price"
	31 March 2023	31 March 2023	31 March 2022	31 March 2022
Employees Stock Option Plan-2017				
Options outstanding at the beginning of the year	4,060	174.62	72,871	174.62
Less: Options forefeited during the year	1,911	-	-	-
Less: Options exercised during the year	2,149	174.62	68,811	-
Options outstanding at the end of the year	-	-	4,060	174.62
Exercisable at the end of the year	-	-	3	174.62

D. Expense recognised in statement of profit and loss

For details of the employee benefit expenses, refer note 37.

49 Financial instruments – Fair values and risk management

I. Accounting classifications and fair values

A. Financial instruments by category

	As at 31 March 2023		As at 31 March 2022	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial assets				
Other non-current financial assets	-	359.07	-	39.11
Investments	4.80	105.22	2.60	104.49
Trade receivables	-	903.34	-	749.65
Cash and cash equivalents	-	89.90	-	324.73
Bank balances other than cash and cash equivalents	-	658.61	-	506.07
Current loans	-	4.71	-	4.82
Other current financial assets	6.85	134.02	9.40	168.98
	11.65	**2,254.87**	**12.00**	**1,897.85**
Financial liabilities				
Non-current borrowings	-	939.91	-	880.28
Short term borrowings	-	266.99	-	405.20
Non-current lease liabilities	-	51.39	-	58.76
Current lease liabilities	-	11.72	-	11.19
Trade payables	-	774.77	-	576.82
Other financial liabilities	-	121.63	-	82.31
	-	**2,166.41**	**-**	**2,014.56**

B. Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:

(a) recognised and measured at fair value and

(b) measured at amortised cost and for which fair values are disclosed in the financial statements.

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To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into three levels prescribed under the Indian Accounting Standard 113. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - fair value measurements

Particulars	As at 31 March 2023			
	Level 1	Level 2	Level 3	Total
Derivatives				
Forward exchange contracts used for hedging	-	5.42	-	5.42
Derivative contract for purchase of wheat not designated as hedges	-	1.43	-	1.43

Particulars	As at 31 March 2022			
	Level 1	Level 2	Level 3	Total
Derivatives				
Forward exchange contracts used for hedging	-	9.40	-	9.40

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices/ NAV published.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

There are no transfers between level 1 and level 2 during the year.

Fair value of borrowings is as follows :

	Level	Fair value		Amortised cost	
		As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Non-current borrowings (including current maturities)*	3	1,145.93	1,115.96	1,158.56	1,156.88

*The fair value of borrowings is based upon a discounted cash flow analysis that used the aggregate cash flows from principal and finance costs over the life of the debt and current market interest rates.

Valuation process

The finance department of the Group performs the valuations of financial assets and liabilities required for financial reporting purposes for level 3 fair values. The Group relies on them for instruments measured using level 1 valuation The Group using quoted price/ NAV's published, for the derivative instruments measured using level fair values, the Group obtains the valuation from the bank from whome the derivatives are taken.

The commodity forward contracts (i.e. Derivative contract for purchase of wheat) are valued using valuation techniques, which employs the use of market observable inputs. The Group obtains the valuation from the relevant vendor from whom the derivatives are taken.

This team reports directly to the Chief financial officer (CFO). Discussions of valuation processes and results are held between the CFO and the finance team at least once every year in line with the Group's reporting year.

Changes in level 2 and 3 fair values are analysed at the end of each reporting year.

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C. Fair value of financial assets and liabilities measured at amortised cost

	As at 31 March 2023		As at 31 March 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Other non-current financial assets	359.07	359.07	39.11	39.11
Investments	105.22	105.22	104.49	104.49
Trade receivables	903.34	903.34	749.65	749.65
Cash and cash equivalents	89.90	89.90	324.73	324.73
Bank balances other than cash and cash equivalents	658.61	658.61	506.07	506.07
Current loans	4.71	4.71	4.82	4.82
Other current financial assets	134.02	134.02	168.98	168.98
	2,254.87	**2,254.87**	**1,897.85**	**1,897.85**

	As at 31 March 2023		As at 31 March 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial liabilities				
Non-current borrowings	939.91	939.91	880.28	880.28
Short term borrowings	266.99	266.99	405.20	405.20
Non-current lease liabilities	51.39	51.39	58.76	58.76
Current lease liabilities	11.72	11.72	11.19	11.19
Trade payables	774.77	774.77	576.82	576.82
Other current financial liabilities	121.63	121.63	82.31	82.31
	2,166.41	**2,166.41**	**2,014.56**	**2,014.56**

The carrying amounts of trade receivables, cash and cash equivalents, other bank balances, current loans, other current financial assets, short-term borrowings, trade payables, other current financial liabilities are considered to be the same as their fair values, due to their short-term nature. Non-current borrowings represents approximate to fair values accordingly the same has not been discounted.

The fair values for security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit.

II. Financial risk management

Risk management framework

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group's internal auditor oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the management.

The Group has exposure to the following risks arising from financial instruments:

- credit risk;
- liquidity risk; and
- market risk

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for the year ended 31 March 2023

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The Group's activities expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the Group, derivative financial instruments, such as foreign exchange forward contracts are entered to hedge certain foreign currency risk exposures, commodity price derivatives to hedge certain commodity price exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

i. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the Group. Credit risk arises principally from trade receivables, derivative financial instruments, loans and advances, cash and cash equivalents and deposits with banks.

Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The Group establishes an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables.An impairment analysis is performed at each reporting date.

The risk management committee has established a credit policy under which each new customer is analysed individually for credit worthiness before the standard payments and delivery terms & conditions are offered. The Group's review includes external ratings, if they are available, consolidated financial statements, credit agency information, industry information and business intelligence. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the appropriate authority as per policy. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are a institutional, dealers or end-user customer, their geographic location, industry, trade history with the Group and existence of previous financial difficulties.

A default on a financial asset is when counterparty fails to meet payment within ninty days when they fall due.

The Group based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Group estimates its allowance for trade receivable using expected credit loss. Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the consolidated Statement of Profit and Loss within other expenses.

Cash and cash equivalents and deposits with banks

Cash and cash equivalents of the Group are held with banks which have high credit rating. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

Security deposits

The Group furnished security deposits to its lessor for obtaining the premises on lease and margin money deposits to banks. The Group considers that its deposits have low credit risk or negligible risk of default as the parties are well established entities and have strong capacity to meet the obligations. Also, where the Group expects that there is an uncertainity in the recovery of deposit, it provides for suiatable impairment on the same.

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Loss allowance as per expected credit loss

Particulars	As at 31 March 2023	As at 31 March 2022
Financial assets for which loss allowance is measured using Expected Credit Losses		
Trade receivables	954.16	813.98
Export incentives receivables	121.90	133.43

Reconciliation of loss allowance provision

Particulars	As at 31 March 2023	As at 31 March 2022
Loss Allowance on 1 April 2021	84.80	84.80
Change in Loss allowance	(20.47)	(20.47)
Loss Allowance on 31 March 2022	**64.33**	**64.33**
Change in Loss allowance	(13.51)	(13.51)
Loss Allowance on 31 March 2023	**50.82**	**50.82**

ii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the cash flow generated from operations to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Group treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Group's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the operating companies of the Group in accordance with practice and limits set by the Group. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

In addition, the Group maintains the following line of credit:-

Name of Bank	Loan Sanctioned	Amount of limits sanctioned	Outstanding as on 31 March 2023	Unutilized
HDFC Bank Limited	Cash Credit	100.00	-	100.00
HDFC Bank Limited	Bank Overdraft	150.00	-	150.00
HDFC Bank Limited	Bank Guarantee	6.00	-	6.00
ICICI Bank Limited	WC Fund Based	400.00	50.98	349.02
ICICI Bank Limited	WC Non-Fund Based	100.00	-	100.00
Punjab National Bank	Term Loan	470.00	211.42	258.58
Total		**1,226.00**	**262.40**	**963.60**

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for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and exclude contractual interest payments and exclude the impact of netting agreements.

	Carrying amount		Contractual cash flows		
	As at 31 March 2023	Total	Upto 1 year	Between 1 and 5 years	More than 5 year
Financial liabilities					
Non-current borrowings	939.91	939.91	-	932.74	7.17
Short term borrowings	266.99	266.99	266.99	-	-
Non-current lease liabilities	51.39	124.21	-	42.46	81.75
Current lease liabilities	11.72	15.33	15.33	-	-
Trade payables	774.77	774.77	774.77	-	-
Other current financial liabilities	121.63	121.63	121.63	-	-
Total	2,166.41	2,242.84	1,178.72	975.20	88.92

	Carrying amount		Contractual cash flows		
	As at 31 March 2022	Total	Upto 1 year	Between 1 and 5 years	More than 5 year
Financial liabilities					
Non-current borrowings	880.28	880.28	-	828.97	51.31
Short term borrowings	405.20	405.20	405.20	-	-
Non-current lease liabilities	58.76	134.80	-	44.35	90.45
Current lease liabilities	11.19	15.24	15.24	-	-
Trade payables	576.82	576.82	576.82	-	-
Other current financial liabilities	82.31	82.31	82.31	-	-
Total	2,014.56	2,094.65	1,079.57	873.32	141.76

The inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity.

iii. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates and interest rates – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Group uses derivatives like Foreign-currency forward contracts and Wheat Forward Contracts to manage market risks on account of foreign exchange fluctuations and fluctuation in prices of refined wheat flour (maida). All such transactions are carried out within the guidelines set by the Board of directors.

Commodity price risk

The Group is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchase and processing of refined wheat flour i.e. Maida and therefore require a continuous supply of maida or wheat. Due to the significantly increased volatility in the price/supply of the maida, the Group also entered into various purchase contracts for wheat (for which there is an active market).

The Group's Board of Directors has developed and enacted a risk management strategy regarding commodity price risk and its mitigation. Based on a 12-month forecast of the required Maida supply, the Group hedges the purchase price using forward wheat purchase contracts. The forward contracts may/may not result in physical delivery of wheat but are being used to hedge to offset the effect of price changes in Maida. The Group has hedged approximately 11.4% of its expected wheat/maida purchases.

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for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

Commodity price senstivity:

The following table shows the effect of price change in wheat:

Particulars	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
Wheat 1%	2.39	(2.39)	1.79	(1.79)

Currency risk

The Group is exposed to foreign currency risk on certain transactions that are denominated in a currency other than entity's functional currency, hence exposure to exchange rate fluctuations arises. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates

Currency risks related to the cash credit loan have been hedged using forward contracts taken by the Group.

In respect of other monetary assets and liabilities denominated in foreign currencies, the Group's policy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk as reported to the management of the Group is as follows:

Exposure to currency risk

As at 31 March 2023	USD	Euro
Financial asset		
Trade receivables	3.85	-
Forward contracts receivables (including above trade receivables)	14.55	-
Total	**18.40**	**-**
Financial liabilities		
Payable for capital assets	-	0.18
Total	**-**	**0.18**
Net exposure to foreign currency risk	**18.40**	**(0.18)**

As at 31 March 2022	USD	Euro
Financial asset		
Trade receivables	3.55	0.06
Forward contracts receivables (including above trade receivables)	11.26	-
Total	**14.81**	**0.06**
Financial liabilities		
Payable for capital assets	-	0.21
Total	**-**	**0.21**
Net exposure to foreign currency risk	**14.81**	**(0.15)**

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Rs. against all other currencies as at year end would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

Particulars	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2023				
USD (1% movement)	15.12	(15.12)	11.31	(11.31)

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(All amounts are in rupees million, unless otherwise stated)

EUR (1% movement)	(0.16)	0.16	(0.12)	0.12
31 March 2022				
USD (1% movement)	11.20	(11.20)	8.38	(8.38)
EUR (1% movement)	(0.13)	0.13	(0.10)	0.10

Interest rate risk

The Group's main interest rate risk arises from long-term and short-term borrowings with variable rates, which expose the Group cash flow to interest rate risk. Group normally maintains most of its long term borrowings at MCLR+0.30% to 0.60% in Rupees. Group has all the long term loans from HDFC Bank Limited, ICICI Bank Limited and Punjab National Bank.

Exposure to interest rate risk

The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group is as follows.

Particulars	Amount as at	
	31 March 2023	31 March 2022
Fixed-rate instruments		
Financial assets	832.93	508.55
Financial liabilities	-	-
	832.93	**508.55**

Particulars	Amount as at	
	31 March 2023	31 March 2022
Variable-rate instruments		
Financial assets	-	-
Financial liabilities	(1,212.50)	(1,290.26)
	(1,212.50)	**(1,290.26)**

Fair value sensitivity analysis for fixed-rate instruments

The Group does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

A change of 100 basis points in interest rates would have increased or decreased equity by Rs.6.23 after tax (31 March 2022 Rs. 3.81). This analysis assumes that all other variables remain constant.

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

INR	Profit or loss (net of tax)	
	100 bp increase	100 bp decrease
31 March 2023		
Variable-rate instruments	(9.07)	9.07
Cash flow sensitivity (net)	(9.07)	**9.07**
31 March 2022		
Variable-rate instruments	(9.66)	9.66
Cash flow sensitivity (net)	**(9.66)**	**9.66**

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50 Capital management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital on a yearly basis as well as the level of dividends to ordinary shareholders which is given based on approved dividend policy.

The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The Group capital consists of equity attributable to equity holders that includes equity share capital, reserves, retained earnings and long term borrowings.

	As at 31 March 2023	As at 31 March 2022
Total liabilities	2,870.35	2,531.78
Less: Cash and cash equivalents	89.90	324.73
Less: Bank balances other than cash and cash equivalents	658.61	506.07
Less: Fixed deposits with banks with maturity period for more than 12 months	359.07	39.11
Adjusted total liabilities (a)	**1,762.77**	**1,661.87**
Total equity (b)	**5,443.18**	**4,689.77**
Capital gearing ratio (a/b)	32.38%	35.44%

	As at 31 March 2023	As at 31 March 2022
Borrowings (including interest accrued but not due on borrowings)	1,425.87	1,562.08
Less: Cash and cash equivalents	89.90	324.73
Less: Bank balances other than cash and cash equivalents	658.61	506.07
Less: Fixed deposits with banks with maturity period for more than 12 months	359.07	39.11
Adjusted net debt	**318.29**	**692.17**
Total equity	5,443.18	4,689.77
Adjusted net debt to equity ratio	0.06	0.15

As a part of its capital management policy the Group ensures compliance with all covenants and other capital requirements related to its contractual obligations.

51 Ratios as per Schedule III requirements

Particulars	31 March 2023	31 March 2022
a) Current Ratio = Current assets divided by current liabilities		
Current Assets	2,940.81	2,758.93
Current Liabilities	1,646.68	1,342.68
Current Ratio	1.79	2.05
% Change from previous year	-13.09%	

Reason for change more than 25%: Not applicable

	31 March 2023	31 March 2022
b) Debt Equity Ratio = Total debt divided by Total equity where total debt refers to sum of current & non current borrowings		
Total Debt	1,206.90	1,285.48
Total Equity	5,443.18	4,689.77
Debt Equity Ratio	0.22	0.27
% Change from previous year	-19.11%	

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Reason for change more than 25%: Not applicable

	31 March 2023	31 March 2022
c) Debt Service Coverage Ratio = Earnings available for debt services divided by total interest and principal repayments		
Profit after tax	**900.74**	**571.43**
Add: Non cash operating expenses and finance cost	**661.89**	**530.79**
-Depreciation and amortisation	532.77	459.99
-Finance costs	129.12	70.80
Earnings available for debt services	**1,562.63**	**1,102.22**
Interest cost on borrowings	78.83	57.47
Principal repayments	216.01	274.21
Total Interest and principal repayments	**294.84**	**331.68**
Debt Service Coverage Ratio	**5.30**	**3.32**
% Change from previous year	**59.49%**	

Reason for change more than 25%:

This ratio has decreased from 3.32 times in March 2022 to 5.30 times in March 2023 due to increase in net profit. Also there is decrease in principal repayments due to full repayment of some term loans.

	31 March 2023	31 March 2022
d) Return on Equity Ratio = Net profit after tax divided by average Equity		
Net profit after tax	900.74	571.43
Average Equity	5,066.48	4,501.10
Return on Equity Ratio	17.78%	12.70%
% Change from previous year	**40.04%**	

Reason for change more than 25%:

This ratio has decreased from 12.70% in March 2022 to 17.78% in March 2022 due to increase in net profit.

	31 March 2023	31 March 2022
e) Inventory Turnover Ratio = Revenue from operations divided by average inventory		
Revenue	13,621.39	9,881.73
Average Inventory	800.63	677.94
Inventory Turnover Ratio	17.01	14.58
% Change from previous year	**16.72%**	

Reason for change more than 25%: Not applicable

	31 March 2023	31 March 2022
f) Trade Receivables Turnover Ratio = Revenue from operations divided by average trade receivables		
Revenue	13,621.39	9,881.73
Average Trade Receivables	826.50	734.69
Trade Receivables Turnover Ratio	16.48	13.45
% Change from previous year	**22.53%**	

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Reason for change more than 25%: Not applicable

	31 March 2023	31 March 2022
g) Trade Payables Turnover Ratio = Purchases divided by average trade payables		
Purchases	7,563.10	5,730.12
Other expenses #	2,591.57	1,767.97
Total	10,154.67	7,498.09
Average Trade Payables	675.80	574.73
Trade Payables Turnover Ratio	**15.03**	**13.05**
% Change from previous year	**15.18%**	

Excluding Director Remuneration and sitting fees and allowances on trade receivable and other advances of Rs. 106.98.

Reason for change more than 25%: Not applicable

	31 March 2023	31 March 2022
h) Net Capital Turnover Ratio = Revenue divided by Working capital where working capital= current assets - current liabilities		
Revenue	13,621.39	9,881.73
Working Capital	1,294.13	1,416.25
Net Capital Turnover Ratio	10.53	6.98
% Change from previous year	**50.85%**	

Reason for change more than 25%:

This ratio has increased from 6.98 times in March 2022 to 10.53 times in March 2023 due to increase in revenue of the company.

	31 March 2023	31 March 2022
i) Net Profit Ratio = Net profit after tax divided by revenue from operations		
Net profit after tax	900.74	571.43
Revenue	13,621.39	9,881.73
Net Profit Ratio	6.61%	5.78%
% Change from previous year	**14.35%**	

Reason for change more than 25%: Not applicable

	31 March 2023	31 March 2022
j) Return on Capital Employed = Earnings before interest and taxes (EBIT) divided by Capital Employed		
Profit before tax (A)	**1,207.03**	**757.24**
Finance costs (B)	129.12	70.80
EBIT (C) = (A)+ (B)	**1,336.15**	**828.04**
Total Assets (D)	8,313.53	7,221.55
Total Liabilities (E)	2,870.35	2,531.78
Intangible Assets (F)	5.11	5.57
Tangible Net Worth (G)	5,438.07	4,695.34
Total Debt (H)	1,206.90	1,285.48
Deferred Tax Liability (I)	98.15	99.24
Capital employed (J) = (G) + (H) + (I)	**6,743.12**	**6,080.06**
Return on Capital Employed	**19.82%**	**13.62%**
% Change from previous year	**45.50%**	

Reason for change more than 25%:

This ratio has increased from 13.62% in March 2022 to 19.79% in March 2023 due to increase in net profit.

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	31 March 2023	31 March 2022
k) Return on treasury investments = Interest income/ total investment		
Interest income on bank deposits	41.51	36.30
Total Investments	753.93	769.32
Return on Investment	5.51%	4.72%
% Change from previous year	16.69%	

Reason for change more than 25%: Not applicable

52 Additional information pursuant to paragraph 2 of Division II of Schedule III to the Companies Act 2013- 'General instructions for the preparation of consolidated financial statements' of Division II of Schedule III

As at 31 March 2023

Name of entity in the group	Net Assets (Total assets - Total liabilities)		Share in profit		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Mrs. Bectors Food Specialities Limited	89.87%	4,891.53	84.66%	762.53	105.45%	(0.58)	84.64%	761.95
Subsidiaries								
Bakebest Foods Private Limited	9.28%	505.10	15.97%	143.82	7.27%	(0.04)	15.97%	143.78
Mrs Bectors English Oven Limited	0.17%	9.05	-0.10%	(0.92)	0.00%	-	-0.10%	(0.92)
Mrs. Bectors Food International (FZE)	0.02%	1.23	-0.20%	(1.77)	0.00%	-	-0.20%	(1.77)
Associate (Investment as per the equity method)								
Cremica Agro Foods Limited	0.67%	36.27	-0.37%	(3.35)	0.00%	-	-0.37%	(3.35)
Elimination	0.00%	0.00	0.05%	0.43	-12.73%	0.07	0.06%	0.50
Total	100%	5,443.18	100%	900.74	100%	(0.55)	100%	900.19

As at 31 March 2022

Name of entity in the group	Net Assets (Total assets - Total liabilities)		Share in profit		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Mrs. Bectors Food Specialities Limited	91.38%	4,285.66	93.61%	534.93	96.67%	7.85	93.66%	542.78
Subsidiaries								
Bakebest Foods Private Limited	7.70%	361.01	14.40%	82.30	3.33%	0.27	14.25%	82.57
Mrs Bectors English Oven Limited	0.01%	0.48	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Mrs. Bectors Food International (FZE)	0.06%	3.00	0.00%	-	0.00%	-	0.00%	-
Associate (Investment as per the equity method)								
Cremica Agro Foods Limited	0.84%	39.62	0.07%	0.41	0.00%	-	0.07%	0.41

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Name of entity in the group	Net Assets (Total assets - Total liabilities)		Share in profit		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Elimination	0.00%	0.00	-8.08%	(46.20)	-	-	-7.97%	(46.20)
Total	**100%**	**4,689.77**	**100%**	**571.43**	**100%**	**8.12**	**100%**	**579.55**

53 Corporate Social Responsibility

S.No.	Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
i	Amount required to be spent by the company during the year	15.05	13.98
ii	Amount of expenditure incurred*	11.66	13.98
iii	Shortfall at the end of the year	3.39	-
iv	Total of previous years shortfall	-	-
	Total shortfall at the end of the year **	3.39	-
v	Details of related party transactions, e.g. contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard #	-	11.67
vi	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shown be shown separately	-	-

"* Nature of CSR activities

Current year - On promoting health care including preventive health care and sanitation Rs. 6.60, on promoting education including special education Rs. 3.80, on environment sustainability Rs. 1.16, on eradicating hunger and malnutrition Rs. 0.10.

Previous year - On promoting education Rs. 10.21, on eradicating hunger and malnutrition Rs. 0.40, on environment sustainability Rs. 0.29, preventive health care Rs. 1.52.

This includes amount of Rs. Nil (Previous year Rs. 11.67) transferred to trust controlled by Company in relation to CSR expenditure.

**** Reason for shortfall**

Amount remaining unspent pertains to "Ongoing/Multilayer Projects" approved by CSR committee which will be spent in the coming years.The Holding Company has a shortfall of Rs. 3.59, however the subsidiary company has spent excess amount of Rs. 0.20, hence accordingly arithmatically consolidated shortfall is appearing as Rs. 3.39.

Details of Deposit in Unspent CSR Account

As per the requirements of Section 135(5) of The Companies Act, 2013, Rs.3.69 has been deposited in the special account (Mrs. Bectors Food Specialities Limited - Unspent CSR Account FY 2022-23) on 12 April 2023 related to shortfall as on 31 March 2023, which will be spent in the coming years.

54 (a) Share issue expenses

During the year 2020-21, the Holding company completed its Initial Public Offer (IPO) of 18,769,701 equity shares shares of face value of Rs. 10/- each for cash at an issue price of Rs. 288/- per equity share aggregating to Rs. 5,405.40 million, consisting fresh issue of 1,408,592 equity shares aggregating to Rs 405.40 million and an offer for sale of 17,361,109 equity shares aggregating to Rs. 5,000.00 million by the selling shareholders. The equity shares of the Holding company were listed on BSE Limited and National Stock Exchange of India Limited on 24 December 2020. The Holding company incurred Rs. 195.34 million as an IPO related expense (excluding taxes) which are proportionately allocated between the selling shareholders and the Holding company as per respective offer

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size. The Holding company's share of these expenses (excluding taxes) of Rs 22.71 million had been adjusted against securities premium.

(b) The utilisation of IPO proceeds out of fresh issue is summarized below:

Particulars	Object of the issue as per Prospectus	Utilization during the year ended 31 March 2022	Unutilized amount as at 31 March 2022	Utilization during the year ended 31 March 2023	Unutilized amount as at 31 March 2023
Financing the project cost towards Rajpura extension project	405.40	142.04	263.36	208.53	-
Utilised for general corporate purpose		-		54.83	
Total fresh proceeds	**405.40**	**142.04**	**263.36**	**263.36**	**-**

55 Note on intermediary

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Group has not received any fund from any party(s) (Funding Party) with the understanding that the Group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

56 Social security

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020, and invited suggestions from stakeholders which are under consideration by the Ministry. The Group will assess the impact and its evaluation once the subject rules are notified. The Group will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

57 Relationship with Struck off Companies

Where the Group has any transactions with the companies struck off under section 248 of the companies Act, 2013 or section of the companies Act, 1956, the Group shall disclose the following details namely:-

Year ended 31 March 2023 :

The Group has not made any transactions with the struck off company during the current year.

Year ended 31 March 2022 :

Name of struck off Company	Nature of transactions with struck off Company	Amount (in millions)	Relationship with the struck off Company, if any to be disclosed
Sew Eurodrive India Private Limited	Other Expenses - Repair and Maintenance Payables	0.32 -	Third party
Truckpur Solutions Private Limited	Amount written back Payables	0.02 -	Third party
Gateway Resorts Private Limited	No transactions during the year Receivables (Amount provided for during the previous year)"	- 0.02	Third party

Notes to consolidated financial statements

for the year ended 31 March 2023

(All amounts are in rupees million, unless otherwise stated)

58 Regulatory informations :

(i) The Group does not have any Benami property, where any proceeding has been initiated or pending against The Group for holding any Benami property.

(ii) The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(iii) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(iv) The Group has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(v) The Group has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Group with banks and financial institutions are in agreement with the books of accounts.

(vi) None of the entities in The Group have been declared wilful defaulter by any bank or financial institution or government or any government authority.

(vii) The Group has complied with the number of layers prescribed under the Companies Act, 2013.

(viii) The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(ix) The Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) do not have any Core Investment Company ("CIC").

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Rajiv Goyal
Partner
Membership No.: 094549

Place: Gurugram
Date: 25 May 2023

For and on behalf of the Board of Directors of Mrs. Bectors Food Specialities Limited

Anoop Bector
Managing Director
DIN:-00108589

Place: Gurugram
Date: 25 May 2023

Ishaan Bector
Director
DIN:-02906180

Place: Gurugram
Date: 25 May 2023

Atul Sud
Company Secretary
M. No:- F10412

Place: Phillaur
Date: 25 May 2023

Parveen Kumar Goel
Whole-time Director and CFO
DIN:- 00007297

Place: Delhi
Date: 25 May 2023

MRS. BECTORS FOOD SPECIALITIES LIMITED
Regd. Office: Theing Road, Phillaur-144410 (CIN: L74899PB1995PLC033417)
Tel No. 01826 - 225418 | Fax No.01826 - 222915 | E-mail: atul.sud@bectorfoods.com
Website: www.bectorfoods.com

Notice of 28th Annual General Meeting of the Members

NOTICE is hereby given that the 28th Annual General Meeting of the members of MRS. BECTORS FOOD SPECIALITIES LIMITED ('The Company') will be held on Friday, 29th day of September, 2023 at 11:00 hours (IST) through video-conferencing ("VC") /Other Audio Visual Means ("OAVM") to transact the following Business. The Venue of the meeting shall be deemed to be the registered office of the company at Theing Road, Phillaur-144 410.

ORDINARY BUSINESS

1. To receive, consider and adopt:

(a) the audited standalone financial statements of the Company for the financial year ended March 31, 2023, comprising Audited Balance Sheet the Statement of Profit & Loss along with Notes to Accounts and Cash Flow Statement appended thereto and Reports of the Board of directors and Statutory Auditors thereon and

(b) the audited consolidated financial statements of the Company for the financial year ended March 31, 2023, comprising Consolidated Audited Balance Sheet, the Consolidated Statement of Profit & Loss along with Notes to Accounts and Cash Flow Statement appended thereto and reports of the Statutory Auditors thereon.

2. To confirm Interim Dividend of Rs. 1.25 per Equity Share of Rs. 10/- each and declare Final Dividend of Rs. 1.75 per Equity Share of Rs. 10/- each for the financial year ended 31st March, 2023.

3. To Appoint Director in place of Mr. Ishaan Bector, Director (DIN: 02906180) who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS

4. TO CONSIDER AND APPROVE CONTINUATION OF MR. RAJIV DEWAN (DIN: 00007988) AS NON-EXECUTIVE INDEPENDENT DIRECTOR OF THE COMPANY FOR SECOND TERM FOR A PERIOD OF FIVE YEARS.

To consider, and if thought fit, to pass with or without modifications, the following resolution as a Special Resolution:-

"RESOLVED THAT pursuant to the provisions Sections 149, 150, 152 read with Schedule IV and other applicable provisions of Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors), 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any statutory modification or re-enactment(s) thereof for the time being in force), on the recommendation of Nomination and Remuneration Committee and approval of Board of directors Mr. Rajiv Dewan (DIN: 00007988) whose tenure expires on 09/07/2023 and who has submitted a declaration of independence as provided under Section 149(6) of the Act and applicable rules made thereunder and Regulation 16(1)(b) of the Listing Regulations and is eligible for reappointment, and in respect of whom the Company has received a notice in writing in terms of Section 160(1) of the Act from a member proposing his candidature for the office of Director, be and is hereby re-appointed as a Non- Executive Independent Director of the Company, not liable to retire by rotation, to hold office for a second and final term of five (5) years effective from 10/07/2023 to 09/07/2028."

"**RESOLVED FURTHER THAT** Mr. Rajiv Dewan shall be entitled to receive sitting fees for attending meetings of the Board of Directors as well as receive consultation fees for giving Consultancy to the Company."

"**RESOLVED FURTHER THAT**, the Board of Directors of the Company be and are hereby authorized to do all the acts, deeds and things which may be necessary to give effect to this resolution."

5. APPROVAL OF THE 'BECTOR EMPLOYEE STOCK OPTION SCHEME 2023'

To consider and if deemed fit, to pass with or without modification(s), the following resolution as a **Special Resolution: -**

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 read with rules framed thereunder, relevant provisions of the Regulation 6 of the Securities and Exchange Board of India (Share Based Employee Benefits &

Sweat Equity) Regulations, 2021 and any circulars/ notifications/ guidance/frequently asked questions issued thereunder, as amended from time to time (collectively referred as "SEBI SBEB Regulations"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI LODR Regulations"), the provisions of relevant regulations/guidelines, if any, prescribed by the Securities and Exchange Board of India ("SEBI"), the provisions of any other applicable laws and regulations (including any amendment thereto or modification(s) or re-enactment(s) thereof from time to time), the relevant provisions of the Memorandum and Articles of Association of the Company, and subject to any applicable approval(s), permission(s) and sanction(s) of any authorities and further subject to any condition(s) and modification(s) as may be prescribed or imposed by such authorities while granting such approval(s), permission(s) and sanction(s), the approval of the Company be and is hereby accorded to the introduction and implementation of 'Bector Employee Stock Option Scheme 2023' ("ESOS 2023" or "Scheme") authorizing the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee, including the Nomination and Remuneration Committee which the Board has constituted under Regulation 19 of the SEBI LODR Regulations to exercise its powers, including the powers, conferred by this resolution) to create and grant from time to time, in one or more tranches, not exceeding 2,94,087 (Two Lakh Ninety Four Thousand Eighty Seven) in aggregate employee stock options ("Options") to or for the benefit of such person(s) working exclusively with the Company, and its group including the subsidiaries companies, whether in or outside India, including any director, whether whole-time or not (excluding the employees/ directors who are promoters and persons belonging to the promoter group, independent directors and directors holding directly or indirectly more than 10% (ten percent) of the outstanding equity shares of the Company) subject to their eligibility as may be determined under the Scheme, exercisable into not more than 2,94,087 (Two Lakh Ninety Four Thousand Eighty Seven) equity shares ("Shares") of face value of Rs. 10/- (Rupees Ten) each fully paid-up, to be sourced from secondary acquisition, in one or more tranches at such point(s) in time as decided, through an irrevocable employee welfare trust of the Company namely 'Bector Employees Welfare Trust' ("Trust") being set-up by the Company where one Option upon exercise shall convert into one Share subject to payment/ recovery of requisite exercise price and applicable taxes, on such terms, condition and in such manner as the Committee may decide in accordance with the provisions of the applicable laws and the provisions of the Scheme. The Scheme shall be administered through this Trust."

RESOLVED FURTHER THAT the Shares as specified hereinabove shall be transferred by the Trust to the Option grantees upon exercise of Options in accordance with the terms of the grant and provisions of the Scheme and such Shares shall rank pari passu in all respects with the then existing Shares of the Company.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, if any additional equity shares are required to be issued by the Company to the option grantees for the purpose of making a fair and reasonable adjustment to the Options granted earlier, the ceiling in terms of number of equity shares specified above shall be deemed to be increased to the extent of such additional equity shares are required to be issued.

RESOLVED FURTHER THAT in case the Shares of the Company are either sub-divided or consolidated, then the ceiling in terms of number of Shares specified above shall automatically stand augmented or reduced, as the case may be, in the same proportion as the face value per Share shall bear to the revised face value of the Share of the Company after such sub-division or consolidation.

RESOLVED FURTHER THAT the trustee(s) of the Trust shall not vote in respect of the Shares subscribed, acquired and held by such Trust.

RESOLVED FURTHER THAT for the purposes of disclosures to the stock exchange(s), the shareholding of the Trust shall be shown as 'non-promoter and non-public shareholding'.

RESOLVED FURTHER THAT the trustee of the Trust shall ensure compliance of the provisions of the SEBI SBEB Regulations, Rules made under the Companies Act, 2013 and all other applicable laws at all times in connection with acquisition, holding and dealing in the Shares of the Company including but not limited to maintenance of proper books of account, records and documents in relation to the Scheme and the Trust with appropriate disclosures as prescribed.

RESOLVED FURTHER THAT the Company and Trust shall conform to the accounting policies prescribed from time to time under the SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to the Scheme.

RESOLVED FURTHER THAT the Board be and is hereby authorized at any time to modify, change, vary, alter, amend, suspend or terminate the Scheme subject to consent of the members by way of a special resolution to the extent required under the applicable laws including the SEBI SBEB Regulations and to do all such acts, deeds, matters and things as may at its absolute discretion deems fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard and further to

execute all such documents, writings and to give such directions and or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the Scheme and do all other things incidental and ancillary thereof."

6. TO APPROVE GRANT OF EMPLOYEE STOCK OPTIONS TO THE EMPLOYEES OF SUBSIDIARY COMPANY(IES) OF THE COMPANY UNDER 'BECTOR EMPLOYEE STOCK OPTION SCHEME 2023'

To consider and if deemed fit, to pass with or without modification(s), the following resolution as a **Special Resolution:-**

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 read with rules framed thereunder, relevant provisions of the Regulation 6 of the Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 and any circulars/ notifications/ guidance/frequently asked questions issued thereunder, as amended from time to time (collectively referred as "SEBI SBEB Regulations"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI LODR Regulations"), the provisions of relevant regulations/guidelines, if any, prescribed by the Securities and Exchange Board of India ("SEBI"), the provisions of any other applicable laws and regulations (including any amendment thereto or modification(s) or re-enactment(s) thereof from time to time), the relevant provisions of the Memorandum and Articles of Association of the Company, and subject to any applicable approval(s), permission(s) and sanction(s) of any authorities and further subject to any condition(s) and modification(s) as may be prescribed or imposed by such authorities while granting such approval(s), permission(s) and sanction(s), the approval of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee, including the Nomination and Remuneration Committee which the Board has constituted under Regulation 19 of the SEBI Listing Regulations to exercise its powers, including the powers, conferred by this resolution) to create and grant from time to time, in one or more tranches, such number of employee stock options ("Options") under the 'Bector Employee Stock Option Scheme 2023' ("ESOS 2023" or "Scheme") within the limit prescribed therein to or for the benefit of such person(s) who are exclusively working with any Subsidiary Company(ies) of the Company, in India or outside India, including any director thereof, whether whole-time or not (excluding the employees/ directors who are promoters and persons belonging to the promoter group, independent directors and directors holding directly or indirectly more than 10% (ten percent) of the outstanding equity shares of the Company), exercisable into corresponding number of equity shares of face value of Rs. 10/- (Rupees Ten) each fully paid-up upon exercise and be transferred to the Option grantee by the 'Bector Employee Welfare Trust' ("Trust") of the Company, on such terms and in such manner as the Committee may decide in accordance with the provisions of the applicable laws and the provisions of Scheme."

7. APPROVAL OF SECONDARY ACQUISITION OF SHARES THROUGH TRUST ROUTE FOR THE IMPLEMENTATION OF 'BECTOR EMPLOYEE STOCK OPTION SCHEME 2023'

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

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, and in accordance with the Memorandum and Articles of Association of the Company, Regulation 3(6) of Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 ("SEBI SBEB Regulations"), the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and subject further to such other approvals, permissions and sanctions as may be necessary and such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, consent of the Company be and is hereby accorded to authorize the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee, including the Nomination and Remuneration Committee which the Board has constituted under Regulation 19 of the SEBI Listing Regulations to exercise its powers, including the powers, conferred by this resolution) to acquire not exceeding 2,94,087 (Two Lakh Ninety Four Thousand Eighty Seven) equity shares ("Shares") of face value of Rs. 10 (Rupees Ten) each fully paid-up, being within the statutory ceiling as per the SEBI SBEB Regulations, by way of secondary acquisition, from time to time, in one or more tranches, through the irrevocable employee welfare trust of the Company namely the 'Bector Employee Welfare Trust' ("Trust"), for the purpose of implementation of the Scheme in due compliance with the provisions of the SEBI SBEB Regulations and other applicable laws.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, the ceiling aforesaid in terms of number of equity shares intended to be purchased by the Trust from secondary acquisition

shall be adjusted with a view to facilitate fair and reasonable adjustment to the eligible employees as per provisions of the SEBI SBEB Regulations and such adjusted number of Shares shall be deemed to be the ceiling as originally approved.

RESOLVED FURTHER THAT the Trust shall not deal in derivatives and shall undertake only delivery-based transactions for the purposes of secondary acquisition as permitted under the SEBI SBEB Regulations.

8. PROVISION OF MONEY BY THE COMPANY FOR PURCHASE OF ITS OWN SHARES BY THE TRUST UNDER THE 'BECTOR EMPLOYEE STOCK OPTION SCHEME 2023'

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

"RESOLVED THAT pursuant to the provisions of Section 67(3)(b) and all other applicable provisions, if any, of the Companies Act, 2013, the Memorandum and Articles of Association of the Company, Regulation 3(8) of the Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 ("SEBI SBEB Regulations") read with Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014 and subject further to such other approvals, permissions and sanctions as may be necessary and such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, consent of the Company be and is hereby accorded authorizing the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee, including the Nomination and Remuneration Committee which the Board has constituted under Regulation 19 of the SEBI Listing Regulations to exercise its powers, including the powers, conferred by this resolution) to grant a loan, provide guarantee or security in connection with a loan granted or to be granted, in one or more tranches, to the irrevocable employee welfare trust of the Company namely the 'Bector Employee Welfare Trust' ("Trust") by such sum of money not exceeding 5% (Five Percent) of the aggregate of the paid up share capital and free reserves of the Company as on March 31, 2023, with a view to enable the Trust to purchase equity shares of the Company of face value of Rs. 10 (Rupees Ten) each fully paid-up, from secondary acquisition for the purposes of 'Bector Employee Stock Option Scheme 2023' ("ESOS 2023" or "Scheme").

RESOLVED FURTHER THAT the Trust shall use the loan amount disbursed from time to time only for the purposes of the Scheme strictly in accordance with the provisions of SEBI SBEB Regulations.

RESOLVED FURTHER THAT the loan provided by the Company shall be interest free with tenure of such loan based on term of the Scheme and shall be repayable to the Company upon realization of proceeds on permitted sale/ transfer of Shares including realization of exercise price and any other eventual income of the Trust.

RESOLVED FURTHER THAT subject to the broad terms above, the Board be and is hereby authorized to do all such acts, deeds, matters and things, as may at its absolute discretion, as deemed fit, to settle any issues, questions, difficulties or doubts that may arise in this regard and further to execute all such documents, writings and to give such directions and/ or instructions as may be necessary or expedient."

By order of the Board
For Mrs. Bectors Food Specialities Limited

Sd/-
(Atul Sud)
Company Secretary
M. No. – F10412

Date: 4th September, 2023
Place: Phillaur

NOTES:

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 (the "Act"), setting out the material facts for each item of special business mentioned in items 4 to 8 of the Notice is annexed hereto. The relevant details, pursuant to applicable regulation of the SEBI LODR and Secretarial Standard -2 on General Meetings issued by the Institute of Companies Secretaries of India, in respect of Director seeking re-appointment at this AGM is annexed herewith.

2. The Ministry of Corporate Affairs ('MCA'), vide its General Circular No. 14/2020, 17/2020, 20/2020, 02/2021, 02/2022 and SEBI vide its Circular No. SEBI/ HO/ CFD/ CMD1/ CIR/ P/ 2020/ 79, SEBI/ HO/CFD/CMD2/CIR/P/2021/11 and SEBI/HO/CFD/ CMD2/CIR/P/2022/62 allowed the Companies to conduct the AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) without the physical presence of the Members at a common venue. In accordance with, the said circulars of MCA, SEBI and applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the 28th AGM of the Company shall be conducted through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company. Participation of members through VC / OAVM will be reckoned for the purpose of quorum for the AGM as per section 103 of the Companies Act, 2013.

3. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, the 23rd day of September, 2023 to Friday, the 29th day of September, 2023 (both days inclusive) for the purpose of Dividend and AGM.

4. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

5. The Company's Registrar and Transfer Agents for its Share Registry work (physical and electronic) are M/S Link Intime India Pvt Ltd., Noble Heights, 1ST Floor, Plot NH 2 C-1 Block LSC, Near Savitri Market, Janakpuri, New Delhi - 110058, Email: delhi@linkintime.co.in, Phone: 011- 41410592-94, Fax: 011- 41410591.

6. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.

7. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with M/s. Link Intime India Private Limited for providing the members the facility for participation in the 28th AGM through VC/OAVM facility, for voting through remote e-Voting, and for e-Voting during the 28th AGM.

8. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013. Members can attend and participate in the Annual General Meeting through VC/OACM only.

9. In compliance with the aforesaid MCA Circulars and SEBI Circular dated January 15, 2021 read with SEBI Circular dated May 12, 2020, the Notice of the AGM along with the Annual Report 2022-23 has been uploaded on the website of the Company at www.bectorfoods.com. The Notice of the Annual General Meeting along with the Annual Report for the financial year 2022-23 is being sent only by electronic mode to those Members whose email addresses are registered with the Company/Depositories in accordance with the aforesaid MCA Circulars and circular issued by SEBI dated 12th May, 2020. The Notice is also available on the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www. bseindia.com and www.nseindia.com respectively. The AGM Notice is also available on the website of Link Intime India Private Limited. For members who have not registered their email IDs so far, are requested to register their email IDs for receiving all communications, including Annual Report, Notices from the Company electronically.

10. Members desirous of getting any information about the accounts and/or operations of the Company are requested to write to the Company at least seven days before the date of the Meeting to enable the Company to keep the information ready at the Meeting.

11. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from April 1, 2019. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialised form. Members can contact the Company's Registrar and Transfer Agents.

12. All the documents referred to in the Notice and Explanatory Statement along with other relevant documents will be made available for inspection

by the Members on the website of the Company during the meeting.

13. There are no amounts requiring transfer to Investor Education and Protection Fund during the year 2022- 2023.

14. Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company / Registrar and Transfer Agent (in case of shares held in physical mode) and with the Depository Participants (in case of shares held in Demat mode). A Resident individual shareholder with PAN and who is not liable to pay income tax, can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of interest.

15. The shareholders holding shares in physical form are requested to register their e-mail address with the Registrar & Share Transfer Agents by sending duly signed request letter quoting their folio no., name and address. In case of shares held in demat form, the shareholders may register their e-mail addresses with their DPs (Depository Participants).

16. The Securities and Exchange Board of India (SEBI) vide circular No. SEBI/HO/MIRSD/DOP1/CIR/P/ 2018/73 dated 20th April 2018 has mandated compulsory submission of Permanent Account Number (PAN) and bank details by every participant in the securities market. Members holding shares in the electronic form are, therefore requested to submit their PAN and bank details to their Depository Participant(s) and members holding shares in physical form shall submit the details to Company/RTA.

17. Registration of email ID and Bank Account details.

    In case the shareholder's email ID is already registered with the Company/its Registrar & Share Transfer Agent "RTA"/ Depositories, log in details for e-voting are being sent on the registered email address.

    In case the shareholder has not registered his/her/their email address with the Company/its RTA/ Depositories and or not updated the Bank Account mandate for receipt of dividend, the following instructions to be followed:

    (i) Kindly log in to the website of our RTA, Link Intime India Private Limited, www.linkintime.co.in under Investor Services>Email/Bank detail Registration - fill in the details and upload the required documents and submit. OR

    (ii) In the case of Shares held in Demat mode:

    The shareholder may please contact the Depository Participant ("DP") and register the email address and bank account details in the demat account as per the process followed and advised by the DP.

18. 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 the Circulars issued by the Ministry of Corporate Affairs, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Link Intime India Private Limited for facilitating voting through electronic means, as the authorised agency.

19. The remote e-Voting period commences on Tuesday, the 26th day of September, 2023 (9.00 a.m. IST) and ends on Thursday, the 28th day of September, 2023 (5.00 p.m. IST). During this period, Members of the Company, holding shares both in physical form or in dematerialized form, as on the cut- off date (record date) Friday, the 22nd day of September, 2023 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by Link Intime India Private Limited for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently. The voting rights of the Members (for voting through remote e-Voting before/ during the AGM) shall be in proportion to their share of the paid-up equity share capital of the Company.

20. The Company has appointed B K Gupta & Associates, Practicing Company Secretaries, Ludhiana as the Scrutinizer for scrutinizing the entire e-voting process i.e. remote e-voting and e-voting during the AGM, to ensure that the process is carried out in a fair and transparent manner.

21. In case of joint holders, the Members whose name appear first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

THE INSTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

(i) The voting period begins on Tuesday, the 26th day of September, 2023 (9.00 a.m. IST) and ends on Thursday, the 28th day of September, 2023 (5.00 p.m. IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday, the 22nd day of September,

2023 may cast their vote electronically. The e-voting module shall be disabled by Link Intime India Private Limited for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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

(v) Pursuant to abovesaid SEBI Circular, Login method for remote e-Voting for Individual shareholders holding securities in Demat mode and Login method for remote e-Voting for Individual shareholders holding securities in Physical mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	• If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. • After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. • If the user is not registered for IDeAS e-Services, option to register is available at https:// eservices. nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl. com/ SecureWeb/IdeasDirectReg.jsp • Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https:// www. evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in demat mode with CDSL	• Existing user of who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/ myeasi/ home/login or www. cdslindia.com and click on New System Myeasi. • After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL, KARVY, LINKINTIME, CDSL. Click on e-Voting service provider name to cast your vote. • If the user is not registered for Easi/Easiest, option to register is available at https://web. cdslindia. com/myeasi./Registration/EasiRegistration • Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the E Voting is in progress.

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) & login through their depository participants	• You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. • Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in Physical mode & e-voting service Provider is LINKINTIME.	1. Open the internet browser and launch the URL: https://instavote.linkintime.co.in ▸ Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details: - A. User ID: Shareholders/ members holding shares in physical form shall provide Event No + Folio Number registered with the Company. B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable. C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format) D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company. • Shareholders/members holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above ▸ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter). ▸ Click "confirm" (Your password is now generated). 2. Click on 'Login' under 'SHARE HOLDER' tab. 3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'. 4. After successful login, you will be able to see the notification for e-voting. Select 'View' icon. 5. E-voting page will appear. 6. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link). 7. After selecting the desired option i.e. Favour / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

INSTITUTIONAL SHAREHOLDERS:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIIPL at https://instavote.linkintime.co.in and register themselves as 'Custodian/Mutual Fund/Corporate Body'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian/Mutual Fund/ Corporate Body' login for the Scrutinizer to verify the same.

Individual Shareholders holding securities in Physical mode & e-voting service Provider is LINKINTIME, have forgotten the password:

- Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'
- Enter User ID, select Mode and Enter Image Verification (CAPTCHA) Code and Click on 'Submit'.
- In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.
- Shareholders/members can set the password of his/ her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
- The password should contain minimum 8 characters, at least one special character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter.
- Individual Shareholders holding securities in demat mode with NSDL/CDSL have forgotten the password:
- Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

▸ It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

▸ For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

▸ During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

Helpdesk for Individual Shareholders holding securities in demat mode:

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/CDSL, they may contact the respective helpdesk given below:

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 22-23058542-43.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & e-voting service Provider is LINKINTIME.

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the Frequently Asked Questions ('FAQs') and InstaVote e-Voting manual available at https:// instavote.linkintime.co.in, under Help section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 –4918 6000.

Process and manner for attending the Annual General Meeting through InstaMeet:

1. Open the internet browser and launch the URL: https:// instameet.linkintime.co.in

- Select the "Company" and 'Event Date' and register with your following details: -
  - A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No
    - Shareholders/ members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID
    - Shareholders/ members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID
    - Shareholders/ members holding shares in physical form shall provide Folio Number registered with the Company
  - B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
  - C. Mobile No.: Enter your mobile number.
  - D. Email ID: Enter your email id, as recorded with your DP/Company.
- Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMeet website.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

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

Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request 3 days in advance with the company on the email id atul.sud@bectorfoods.com.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.

4. Other shareholder may ask questions to the panelist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panelist by switching on video mode and audio of your device.

   Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/ Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/ Against'.
5. After selecting the appropriate option i.e. Favour/ Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet 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 facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

Guidelines to attend the AGM proceedings of Link Intime India Pvt. Ltd.: InstaMEET

For a smooth experience of viewing the AGM proceedings of Link Intime India Pvt. Ltd. InstaMEET, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

a) Please download and install the Webex application by clicking on the link https://www.webex.com/downloads.html/

Dividend Related:

Subject to approval of the Members at the AGM, the dividend will be paid within a week from the conclusion of the AGM to the Members whose names appear on the Company's Register of Members as on the Record Date i.e., Friday, the 22nd day of September, 2023, and in respect of the shares held in dematerialised mode, to the Members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.

Payment of dividend shall be made through electronic mode to the Members who have updated their bank account details. Dividend warrants / demand drafts will be dispatched to the registered address of the Members who have not updated their bank account details.

Pursuant to the requirements of Income Tax, 1961, the Company will be required to withhold taxes at prescribed rates on the dividend paid to the Shareholders. The withholding tax rate would vary depending on the residential status of the shareholder.

Inspection of Documents:

The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the Directors are interested maintained under Section 189 of the Act and documents referred in the notice of meeting will be available for inspection by the Members in electronic mode during the AGM. Members who wish to seek inspect, may send their request through an email at atul.sud@bectorfoods.com up to the date of AGM.

Declaration Of Results:

(i) The scrutinizer shall, immediately after the conclusion of voting during the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairperson of the Company or the person authorized by him, who shall countersign the same.

(ii) Based on the scrutinizer's report, the Company will submit within 48 hours of the conclusion of the AGM to the Stock Exchanges, details of the voting results as required under Regulation 44(3) of the SEBI Listing Regulations.

(iii) The results declared along with the scrutinizer's report, will be hosted on the website of the Company at www. bectorfoods.com and on the website of Link Intime India Private Limited, immediately after the declaration of the result by the Chairperson or a person authorised by him in writing and communicated to the Stock Exchanges.

(iv) Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the AGM i.e. 29th day of September, 2023.

Other Instructions:

(i) As per the provisions of Section 101 and 136 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 and Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2016, the service of notice/documents including Annual Report can be sent by e-mail to its members. Members who have not registered their e-mail addresses, so far, are requested to register their e-mail address with Company's Registrar & Transfer Agents, M/s. Link Intime India Pvt. Ltd and Depository Participant in case of Demat Shares, to enable the Company to send the notices, documents including Annual Reports by e-mail.

(ii) The persons who have acquired shares and become members after the dispatch of the notice may send a request to the Company Secretary via e-mail at atul.sud@bectorfoods.com for a copy of the Annual Report. The Annual Report is also available on the website of the Company.

(iii) A person, who is not a Member as on the cut-off date i.e. Friday, the 22nd day of September, 2023 should treat this Notice for information purposes only.

(iv) The Company has designated an exclusive e-mail ID i.e. atul.sud@bectorfoods.com to enable the investors to register their complaints / send correspondence, if any.

(v) Members holding shares in dematerialized form may note that bank particulars registered against their respective demat accounts will be used by the Company for payment of dividend and therefore, members are requested to update with their respective Depository Participants ("DP"), their bank account details (account number, 9 digit MICR and 11 digit IFSC), email IDs and mobile number. Members holding shares in physical form may communicate details to the Company / Registrar and Transfer Agent viz. Link In time India Private Limited ("RTA") before Friday, the 22nd day of September, 2023, by quoting the Folio No. and attaching a scanned copy of the cancelled cheque leaf of their bank account and a self-attested scanned copy of the PAN card.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013, IN RESPECT OF SPECIAL BUSINESS SET OUT IN THE NOTICE CONVENING THE ANNUAL GENERAL MEETING OF MRS. BECTORS FOOD SPECIALITIES LIMITED TO BE HELD ON FRIDAY, 29TH DAY OF SEPTEMBER, 2023 AT 11:00 HOURS (IST) THROUGH VIDEO CONFRENCING

The Following Explanatory Statement sets out all material facts relating to the Special Business mentioned under item sr. no. 4 to 8 of the accompanying Notice:

ITEM NO. 4

Mr. Rajiv Dewan (DIN: 00007988) is Non-Executive Independent Director of the company appointed on July 10, 2018 for a period of 5 years. His 1st Term of appointment expiring on July 9, 2023.

In terms of the Corporate Governance Guidelines and pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company passed a resolution at their meeting held on May 25, 2023 approving re- appointment of Mr. Rajiv Dewan as an Independent Director for a second term of five years, with effect from July 10, 2023 to July 9, 2028, based on his skills, experience, knowledge and positive outcome of performance evaluation.

His brief profile is given below:

Mr. Rajiv Dewan is a fellow member of the Institute of Chartered Accountants of India and is a practicing Chartered Accountant. He has 38 years of experience in taxation and business restructuring consultancy. He is currently a partner in R. Dewan & Co., Chartered Accountants, Ludhiana. In the past, he has served as a director in various companies, including JSW Vallabh Tinplate Private Limited, Punjab Communications Limited, Trident Aerospace Limited, Trinetra Technologies Limited, Trident Powercom Limited, Trident Brokers Limited, Trident Research Limited and Trident Brands Limited.

He is also a director on the Board of Trident Limited.

Pursuant to the provisions of Section 149 and other applicable provisions of the Companies Act, 2013, an Independent Director shall hold office for a term up to five consecutive years on the Board of a Company and shall be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such reappointment in Board's report.

The Company has received a declaration from Mr. Rajiv Dewan confirming that he meets the criteria of independence under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, the Company has also received consent from Mr. Rajiv Dewan to act as a Director in terms of section 152 of the Companies Act, 2013 and a declaration that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. In terms of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a Member proposing the candidature of Mr. Rajiv Dewan to be re-appointed as an Independent Director.

In the opinion of the Board of Directors, Mr. Rajiv Dewan fulfils the conditions specified in the Companies Act, 2013 and the rules made thereunder, for her re-appointment as an Independent Director of the Company and is independent of the Management.

The draft letter of appointment of Mr. Rajiv Dewan setting out the terms and conditions of appointment shall be available for inspection by the Members electronically. Members seeking to inspect the same can send an email to atul.sud@bectorfoods.com.

He does not hold any share in the Company and is not related to any other director on the Board of the Company.

Except Mr. Rajiv Dewan, none of the Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise in the resolution set out at item No. 4. The relatives of Mr. Rajiv Dewan may be deemed to be interested in the resolution set out at Item No. 4 of the Notice, to the extent of their shareholding interest, if any, in the Company.

The Board of Directors recommends the resolution at Item No. 4 for approval of the Members by way of a Special Resolution.

ITEM NO. 5 & 6:

Approval of the 'Bector Employee Stock Option Scheme 2023'

Your Company believes that equity-based compensation schemes are effective tools to attract, retain, motivate and reward the talents working exclusively with the Company, and its group including the subsidiaries company. With the objective to motivate key employees for their contribution to the corporate growth on sustained basis, to create an employee ownership culture, to retain the best talent in the competitive environment and to encourage them in aligning individual goals with that of the Company's objectives, your Company intends to implement an employee stock option scheme namely 'Bector Employee Stock Option Scheme 2023' ("ESOS 2023"/ "Scheme") seeking to cover eligible employees.

The Shares required for the implementation of the proposed Scheme (subject to overall ceiling specified at point 'b' below) shall be sourced from secondary acquisition, in one or more tranches at such point(s) in time as decided, through an irrevocable employee welfare trust of the Company namely 'Bector Employees Welfare Trust' ("Trust"). The Scheme shall be administered through this Trust. The contemplated secondary acquisition is well within the ceiling prescribed under the Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 ("SEBI SBEB Regulations").

For purchase of Shares from secondary acquisition, the Trust shall seek loan from the Company. The loan sought in this regard shall be within the statutory limit, approval for which is sought separately.

Accordingly, the Nomination and Remuneration Committee of the Directors ("Committee") and the Board of Directors of the Company at their meetings held on 4th day of September, 2023 had approved the introduction of the Plan, subject to your approval.

In terms of Section 62(1)(b) of the Companies Act, 2013 and Rules made thereunder read with Regulation 6 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB & SE Regulations"), the Company seeks your approval as regards implementation of the Scheme and grant of Options thereunder to the eligible employees of the Company, as decided from time to time as per provisions of the Scheme read with provisions of SEBI SBEB & SE Regulations.

The main features of the Scheme are as under:

a) Brief description of the Scheme:

The Scheme contemplates grant of Options to the eligible employees (including Directors) as specified at point 'c' below, time to time as may be determined in due compliance of SEBI SBEB Regulations and provisions of the Scheme. After vesting of Options, the eligible employees earn a right (but not obligation) to exercise the vested Options within the exercise period and obtain equity shares of the Company subject to payment of exercise price and satisfaction of any tax obligation arising thereon. The employees may create wealth depending on prevailing market price of Shares as on the date of sale.

The Nomination and Remuneration Committee ("Committee") of the Company shall supervise the Scheme as required under SEBI SBEB Regulations. All questions of interpretation of the Scheme shall be

determined by the Committee and such determination shall be final and binding upon all persons having an interest in the Scheme. Whereas the Trust shall administer the Scheme.

b) Total number of Options to be granted:

The total number of Options to be granted under the Scheme shall be sourced through secondary acquisition through irrevocable Trust, shall not exceed 2,94,087 (Two Lakh Ninety Four Thousand Eighty Seven).

The SEBI SBEB Regulations require that in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, a fair and reasonable adjustment needs to be made to the Options granted. In this regard, the Committee shall adjust the number and exercise price of the Options granted in such a manner that the total value of the Options granted under the Scheme remains the same after any such corporate action. Accordingly, if any additional Options are issued by the Company to the option grantees for making such fair and reasonable adjustment, the aforesaid the ceiling of Options/ Shares shall be deemed to be increased to the extent of such additional Options issued.

c) Identification of classes of employees entitled to participate in the Scheme

Following classes of employees and directors (collectively referred to as "Employees") are eligible being:

(i) an employee as designated by the Company, who is exclusively working in India or outside India; or

(ii) a director of the Company, whether a whole-time director or not, including a non-executive director, who is not a promoter or member of the promoter group but excluding an independent director; and

(iii) an employee as defined in sub-clauses (i) and (ii) above, of the subsidiary company(ies) in India or outside India, of the Company, but does not include:

a) an employee who is a Promoter or a person belonging to the Promoter Group;

b) a Director who either by himself /herself or through his/her relatives or through any body corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company.

The Committee while granting the Options to any eligible employee(s) of any group company including subsidiary company(ies), shall at its discretion, consider the factors including but not limited to the role(s) of such employee(s) for safeguarding the interest of the Company, or such employee's contribution to the Company.

d) Requirements of vesting and period of vesting

Any Option granted under the Scheme shall vest not earlier than minimum vesting period of 1 (one) year and not later than the maximum vesting period of 4 (four) years from the date of grant as may be determined by the Committee.

The Options would vest essentially on the basis of continued tenure. Apart from this, the Committee shall prescribe achievement of performance condition(s), the criteria being a mix of corporate, business unit/segment, and individual performance for vesting. The corporate or business unit/ segment performance conditions shall be determined by the Committee basis one or more corporate parameters including but not limited to:

1. Relative Total Shareholders' Return compared to the Company's peer group as identified from time to time.
2. Relative Net Profit Growth compared to the Company's peer group.
3. Revenue /Profitability Growth Targets of the Company as per annual budgets.
4. Any other financial/operational parameters as the Committee may deem appropriate based upon annual operating plan.

The relative weightage of performance conditions shall be determined by the Committee on each occasion of grant which may differ from Employee to Employee or classes thereof depending on the existing and expected role of the concerned Employees.

The Committee shall assign mandatory performance conditions when Options are granted at a discount of 10% or more from the market price at the time of grant. The percentage of performance linked vesting shall not be lesser than that of the discount offered.

In the event of death or permanent incapacity of an Employee, the minimum vesting period shall not be applicable and in such instances, all the unvested Options shall vest with effect from date of the death or permanent incapacity.

e) Maximum period within which the Option shall be vested:

Any Option granted under the Scheme shall be subject to a maximum vesting period of 4 (four) years from the date of grant of Options.

The Committee subject to minimum and maximum ceiling of vesting period shall have the power to prescribe the vesting schedule for a particular grant.

f) Exercise price or pricing formula:

The Exercise Price per Option shall be determined by the Committee which shall not be less than the Market Price of the Shares of the Company discounted by such a percentage not exceeding 20% to be determined by the Committee from time to time on the date of Grant.

Provided, that the exercise price shall not be less than the face value of Shares of the Company as on date of grant. The specific exercise price shall be intimated to the Option grantee in the grant letter at the time of grant.

g) Exercise period and the process of Exercise:

The exercise period for vested Options shall be a maximum of 5 (five) years commencing from the relevant date of vesting of Options, or such other shorter period as may be prescribed by the Committee at time of Grant.

However, in case of separation of an Employee from the employment/service, there shall be a shorter exercise period being maximum of 1 (one) year from the date of event of separation or date of vesting, as may be determined by the Committee depending on the nature of separation.

The vested Option shall be exercisable by the Option grantees by a written application to the Trust expressing his/ her desire to exercise such Options in such manner and on such format as may be prescribed by the Committee or Trust from time to time. Exercise of Options shall be entertained only upon payment of requisite exercise price and satisfaction of applicable taxes by the Option grantees. The Options shall lapse if not exercised within the specified exercise period.

h) Appraisal process for determining the eligibility of employees under the Scheme:

The appraisal process for determining eligibility shall be decided from time to time by the Committee. The broad criteria for appraisal and selection may include parameters like tenure of association with the Company, performance during the previous years, contribution towards strategic growth, contribution to team building and succession, cross-functional relationship, expected role for the corporate growth, etc.

i) Maximum number of Options to be issued per employee and in aggregate:

The number of Options that may be granted under the Scheme per Employee and in aggregate (taking into account all grants) for such Employee, shall not exceed 50,000 (Fifty Thousand) Options per eligible Employee.

j) Maximum quantum of benefits to be provided per employee:

There is no contemplation of benefit other than grant of Options and any benefit arising out of Options shall be subject to ceiling specified in point hereinabove.

k) Route of Scheme implementation:

The Scheme shall be implemented and administered by the Trust of the Company.

l) Source of acquisition of shares under the Scheme:

The Scheme contemplates acquisition of Shares from secondary acquisition through the Trust.

m) Amount of loan to be provided for implementation of the Scheme(s) by the Company to the Trust, its tenure, utilization, repayment terms, etc:

The Company shall provide necessary financial assistance by grant of loan, provision of guarantee or security in connection with a loan to the Trust, subject to 5% (Five Percentage) of the paid up capital and free reserves as on March 31, 2023, being the statutory ceiling under SEBI SBEB Regulations. The loan amount may be disbursed in one or more tranches.

The loan provided by the Company shall be interest free with tenure of such loan based on term of the Scheme and shall be repayable to the Company from realization of proceeds of exercise/ permitted sale/ transfer of Shares and any other eventual income of the Trust.

The Trust shall utilise the loan amount disbursed from time to time strictly for the acquisition of the Shares to be utilized for the purposes of the Scheme.

n) Maximum percentage of secondary acquisition:

The Scheme envisages secondary acquisition not exceeding 0.50% of the paid-up equity share capital as on March 31, 2023, through the Trust. This is well within the statutory limit as prescribed under the SEBI SBEB Regulations.

o) Accounting and Disclosure Policies:

The Company shall follow the Accounting Standard IND AS 102 on Share based payments and/ or any relevant Accounting Standards as may be prescribed by the competent authorities from time to time,

including the disclosure requirements prescribed therein in due compliance with the requirements of Regulation 15 of the SEBI SBEB Regulations. In addition, the Company shall disclose such details as required under the applicable laws including under other applicable provisions of the SEBI SBEB Regulations.

p) Method of Option valuation:

The Company shall adopt 'fair value method' for valuation Options as prescribed under guidance note or under any relevant accounting standard notified by appropriate authorities from time to time.

q) Declaration:

In case the company opts for expensing of share-based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the Options and the impact of this difference on profits and on Earning Per Share ("EPS") of the Company shall also be disclosed in the Directors' report.

r) Period of Lock-in:

The shares issued pursuant to exercise of Options shall not be subject to any lock-in period restriction except such restrictions as may be prescribed under applicable laws including that under the code of conduct framed, if any, by the Company under the Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015, as amended.

s) Terms & conditions for buyback, if any, of specified securities/ Options covered granted under the Scheme:

Subject to the provisions of the then prevailing applicable laws, the Committee shall determine the procedure for buy-back of Options granted under the Scheme if to be undertaken at any time by the Company, and the applicable terms and conditions thereof.

Consent of the members is being sought by way of special resolutions pursuant to Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 and as per Regulation 6 of the SEBI SBEB Regulations.

A draft copy of the Scheme will be available for inspection without any fee by the members from the date of circulation of this Notice up to the date of conclusion of voting.

None of the Directors, Key Managerial Personnel of the Company including their relatives are interested or concerned in the resolution, except to the extent they may be lawfully granted Options under the Scheme.

Your Board of Directors recommends the Special Resolutions set forth as Item Nos. 5 & 6 of the notice for your approval.

Item 7 and 8:

The Company intends to implement a new share-based employee benefit scheme namely 'Bector Employee Stock Option Scheme 2023' ("ESOS 2023" or "Scheme") for which approval is sought from the members in separate resolutions at Item Nos. 5 & 6. This proposed Scheme shall be administered through an irrevocable employee welfare trust namely 'Bector Employees Welfare Trust' ("Trust") being set up by the Company. The proposed Scheme contemplates acquisition of equity shares ("Share") of the Company from secondary acquisition.

For facilitating acquisition of the Shares, the amount of loan to be provided by the Company under the Scheme shall not exceed 5% (Five percentage) of the aggregate of the paid up equity share capital and free reserves of the Company as on March 31, 2023 being the statutory ceiling as per the SEBI SBEB Regulations read with relevant provisions of the Companies Act, 2013 and the Companies (Share Capital and Debenture) Rules, 2014.

The loan provided by the Company shall be interest free with tenure of such loan based on term of the Scheme and shall be repayable to the Company upon realization of proceeds on permitted sale/ transfer of Shares including realization of exercise price and any other eventual income of the Trust.

Necessary details in this regard are provided as under:

a) The class of employees for whose benefit the Scheme is being implemented and money is being provided for acquisition of the Shares:

Following classes of employees and directors (collectively referred to as "Employees") are eligible being:

(i) an employee as designated by the Company, who is exclusively working in India or outside India; or

(ii) a director of the Company, whether a whole-time director or not, including a non-executive director, who is not a promoter or member of the promoter group but excluding an independent director; and

(iii) an employee as defined in sub-clauses (i) and (ii) above, including Subsidiary Company(ies), in India or outside India, of the Company, but does not include:

a) an employee who is a Promoter or a person belonging to the Promoter Group;

b) a Director who either by himself /herself or through his/her relatives or through any

body corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company.

b) The particulars of the Trustee or employees in whose favour such Shares are to be registered:

It is contemplated that designated trustee shall acquire and hold the Shares of the Company in due compliance of the SEBI SBEB Regulations and Companies Act, 2013 solely for the purposes of the Scheme. An Employee shall be a registered owner of Shares pursuant to exercise of vested Options and transfer of corresponding number of Shares by the trustee.

c) The particulars of trust and name, address, occupation and nationality of trustees and their relationship with the promoters, directors or key managerial personnel, if any:

The Trust is in the nature of an irrevocable employee welfare trust with the name 'Bector Employees Welfare Trust' ("Trust") having its principal office at Theing Road Phillaur Jalandhar, Punjab 144410.

Particulars of the Trustee:

S. No.	Name	Address	Occupation	Nationality
1	KP Corporate Solutions Ltd.	Preetkamal, S. No 256/254, Bunglow no. 2, Green Park Society, Behind Anand Park, Baner, Pune, Maharashtra - 411007, India.	Service (In the field of ESOP consulting)	Indian

The Trustee is neither a promoter, a director, nor key managerial personnel of the Company nor is related to the promoters, directors, or key managerial personnel.

d) Any interest of key managerial personnel, directors or promoters in such Scheme or trust and effect thereof:

Promoters are not eligible to be covered under the Scheme. However, key managerial personnel and directors (excluding independent directors) may be covered under the Scheme in due compliance with relevant Companies Rules read with SBEB Regulations.

e) The detailed particulars of benefits which will accrue to the employees from the implementation of the Scheme:

The Options shall be granted to the eligible employees on grant date. After exercising of the Options and payment of exercise price with applicable taxes, the Trust shall transfer corresponding number of Shares to the eligible employees. The eligible employees can then sell the Shares in open market and can reap the benefit.

f) The details about who would exercise and how the voting rights in respect of the shares to be acquired under the Scheme would be exercised:

The trustee of the Trust shall not vote in respect of Shares held in the Trust as per extant SEBI SBEB Regulations. In this circumstance, the voting rights can be exercised by an eligible employee only when the Shares are transferred by the Trust to him/her upon exercise.

None of the directors and / or key managerial personnel of the Company including their relatives are interested or concerned in the Trust/ resolution, except to the extent of their entitlements, if any, under the Scheme.

Consent of the members is being sought by way of a special resolution pursuant to the Rule 16 of the Companies (Share Capital and Debenture) Rules, 2014 read with Regulation 3(8) of the SBEB Regulations.

The Board of Directors recommends the Special Resolution set forth as Item No. 7 and 8 of the notice for approval of the shareholders.

By order of the Board
For Mrs. **Bectors Food Specialities Limited**

Sd/-
(ATUL SUD)
COMPANY SECRETARY
M.No. F10412

4th September, 2023
Place: Phillaur

ANNEXURE- A

Profile of the Director seeking appointment / re-appointment at the Annual General Meeting

[Pursuant to Regulation 26(4) and 36(3) of SEBI (Listing of Listing Obligations and Disclosures Requirements) Regulations, 2015 along with Paragraph 1.2.5 of Secretarial Standard on General Meetings]

Particulars	Mr. Rajiv Dewan
DIN	00007988
Age	62
Brief Resume and Qualification	Mr. Rajiv Dewan is a fellow member of the Institute of Chartered Accountants of India and is a practicing Chartered Accountant. He has 38 years of experience in taxation and business restructuring consultancy. He is currently a partner in R. Dewan & Co., Chartered Accountants, Ludhiana. In the past, he has served as a director in various companies, including JSW Vallabh Tinplate Private Limited, Punjab Communications Limited, Trident Aerospace Limited, Trinetra Technologies Limited, Trident Powercom Limited, Trident Brokers Limited, Trident Research Limited and Trident Brands Limited. He is also a director on the Board of Trident Limited.
Date of first Appointment as Director	10th July, 2018
Expertise in specific functional area	Finance, Taxation, Accounting, Management & Administrative matters
Directorships held in other body corporate as on 31st March 2023	Trident Limited
Membership / Chairmanships of committees of other companies (includes only Audit Committee and Stakeholders Relationship Committee) as on 31st March 2023	**Trident limited** -Audit Committee – Chairman -Stakeholders Relationship Committee- Chairman
Number of equity shares held in the Company as on date	Nil
Relationship with other Directors and Key Managerial Personnel	None
Remuneration Last Drawn from the Company (This does not include Director sitting fees)	Nil
Remuneration proposed to be paid	Director Sitting Fees
No of meetings of the Board attended during the year	Held: 6 Attended: 6

NOTES

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MRS. BECTORS FOOD SPECIALITIES LIMITED

(CIN: L74899PB1995PLC033417)

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